

## Industrial leaders clash with Aridor

By AVI TEMKIN and YA'ACOV FRIEDLER  
Jerusalem Post Reporters

The row between the Treasury and the country's industrialists peaked yesterday when Finance Minister Yoram Aridor and the Manufacturers Association president Eli Hurvitz accused each other of harming the country's economic interests.

The clash between the minister and the industrialists began yesterday morning after Aridor refused to meet a delegation seeking to discuss the export situation.

Aridor told the industrialists that he would only talk to them on policy issues after they lift their current boycott on Israeli export delegations to overseas countries.

"We have overcome the Arab boycott and we will overcome your action too," the minister told the delegation.

The manufacturers decided on the boycott some weeks ago to protest against the government's policy of slowing down the rate of devaluation which they see as the

## Aridor's popularity suffers steep drop

By AVI TEMKIN  
Post Economic Reporter

Finance Minister Yoram Aridor's popularity suffered a sharp drop in the past four months, according to an opinion poll conducted for the Hebrew weekly *Kohetzer* last night.

The survey, by the Dahaf Research Institute under the direction of Dr. Mina Zemach, shows that Aridor is regarded positively by 42 per cent of respondents, as compared to 58 per cent in December 1982. The minister is evaluated negatively by 53 per cent of the respondents, as compared to 39 per cent four months ago.

Aridor's present popularity is lower than that of former finance minister Yigael Huriwitz in 1980, a few months before he resigned after the cabinet vote to implement the Etzioni proposals on teachers' pay and conditions.

cause of the recent drop in exports. Reacting to the minister's analogy, Huriwitz described Aridor as "infantile, irresponsible and apathetic to the country's needs."

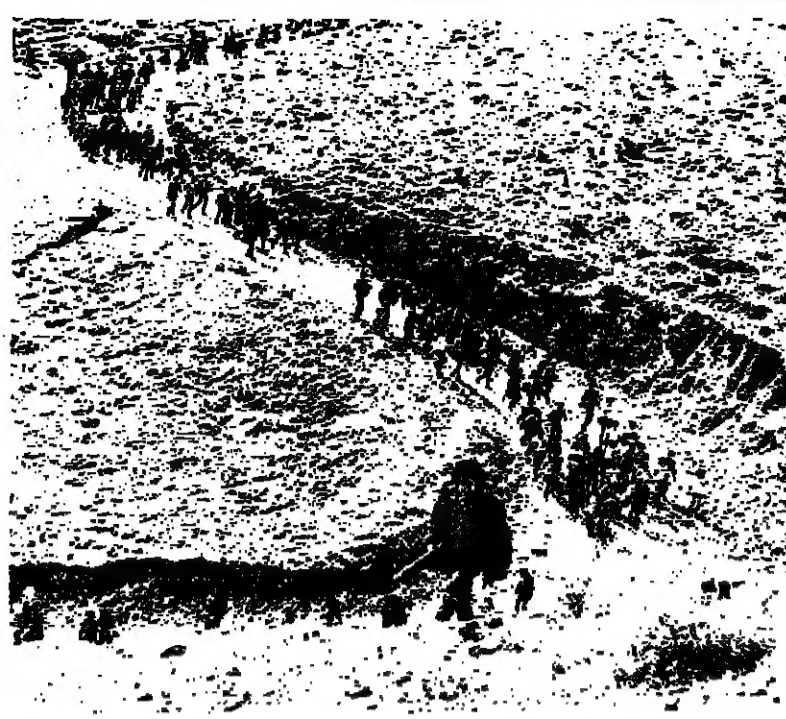
Aridor also lashed out yesterday against four economics professors who on Tuesday sharply criticized his economic policy. He charged the professors with intellectual dishonesty.

He also scored the country's doctors and teachers for striking for wage rises far in excess of the national wage agreements, and asserted that there would be no change in the government's economic policy.

Aridor was the guest speaker at the Technion's annual commencement exercises, at which B.Sc. degrees were awarded to the 995 graduates of the Technion's 54th class.

Speaking yesterday afternoon at the annual manufacturers conference in Jerusalem, Huriwitz said he knows very few finance ministers in the world who would remain silent after a fall in exports like the one registered last month. He had warm words for the four professors who sharply criticized Aridor's policies.

Huriwitz claimed that Aridor is trying to reduce the issues to a personal quarrel, whereas what is involved is a struggle against harmful economic policies.



Some of the participants in this week's cross-Samaria hike, in which some 3,000 Gidna 10th- and 11th-graders marched for three days from Kalkilya Passael. The youths slept each night at a site near Shilo.

## 9 IDF soldiers hurt in two Lebanon blasts

Jerusalem Post Staff

Nine Israel Defence Forces soldiers were wounded in two incidents in Lebanon yesterday.

Three soldiers riding in an armoured personnel carrier near Ain Zuhair, in the central sector, were wounded when their vehicle ran over and detonated a mine.

Six soldiers were wounded — most of them lightly — when an explosive charge was detonated by remote control as their truck drove by. The incident occurred west of Baabda on the old Sidon road, which forms the demarcation line between the IDF-held area and the

zone controlled by U.S. Marines, close to the scene of several confrontations between Israeli and U.S. troops in the past.

Immediately following the explosion, Israeli soldiers instinctively opened fire at an area in which they suspected the terrorists who activated the charge were hiding.

Some shots apparently came close to a Marine emplacement, and U.S. troops contacted the Israeli liaison officer on their "hot line," according to procedures established following the previous incidents.

The IDF liaison officer assured the Marines that the fire was being directed only at terrorists.

## Share collapse continues

By JOSEPH MORGENTHAU and AVI TEMKIN  
Jerusalem Post Reporters

TEL AVIV. — Trading increased to nearly IS2 billion yesterday as share prices dropped sharply for the second consecutive day. Yesterday's losses were considerably higher than Tuesday's.

More than half of the securities fell by margins of five per cent or more. Of these, 83 issues were established as "sellers only" and were reduced by 5 per cent without trading. Another 209 issues fell by margins well in excess of 5 per cent. Losses ranging between 10-15 per cent were also evident.

The price of Cohen Development options was pared down by 60.8 per cent. Haman options went down by 47.6 per cent, while Ben-Yakar options fell by 23.2 per cent.

The securities which fell so heavily yesterday did so after being traded for two previous sessions as "sellers only" and all price restraints in their trading were lifted yesterday.

In contrast, the shares of the ma-

jor commercial banks continued to edge higher.

Meanwhile, the treasury refused to react to reports which appeared in the Hebrew press yesterday that it would abolish the 2 per cent levy now imposed on the sale of shares as a means of stimulating the market.

Although no formal discussions have taken place, some ministry officials think such a step would be the best signal the Treasury could give to would-be investors.

Other officials, however, were worried about the revenue repercussions such a step could have. At the beginning of the present fiscal year, the treasury had planned to collect some IS25 billion through the levy. It now estimates revenue of IS15-billion, as a result of the fall in share values.

Speaking on Israel TV, Finance Minister Yoram Aridor repeated that he supports the existence of the stock market as an investment instrument and insisted that no change in his policies should be expected.

## Herzog to be sworn in as president today

By JUDY SIEGEL  
Jerusalem Post Reporter

Chaim Herzog will be inaugurated as Israel's sixth president at sundown today, in a ceremony in the Knesset plenum that will be attended by MKs and hundreds of invited guests.

President Yitzhak Navon's five-year term ends on the 22nd day of the Hebrew month of Iyar, thus necessitating the inauguration of Herzog at sundown. The 64-year-old lawyer, former MK, general,

author and businessman will raise his right hand and place his left on a Bible. He will then declare that he will faithfully serve as president of the State of Israel.

The inauguration ceremony will be broadcast live on TV and radio starting at 5.30 p.m.

The Knesset Law Committee held a farewell session for Herzog yesterday, and praised the legal contribution he made as a member, since being elected to the present Knesset in 1981.

# After Shultz presents withdrawal plan Begin summoning cabinet to 'take decisions' on Lebanon

By DAVID LANDAU  
Post Diplomatic Correspondent

Prime Minister Menachem Begin announced last night that he would convene the cabinet "very soon" in order "to take a decision" on the Israel-Lebanon negotiation.

After what he termed "a very fine discussion" with U.S. Secretary of State George Shultz, Begin said, "the matters are very serious, very important... The cabinet of course is entitled and empowered to take such decisions, and my two colleagues here (Defence Minister Moshe Arens and Foreign Minister Yitzhak Shamir) and myself cannot do so."

The cabinet was expected to meet today or tomorrow.

Begin's announcement heightened the surge of optimism that swept through Jerusalem with Shultz's return from 24 hours of intensive talks with President Amin Jemayel and his top ministers in Beirut.

One of the secretary's aides told newsmen on the way to Jerusalem that Shultz was bringing with him a draft agreement which neither Lebanon nor Israel could reject. "I would reckon we are at a stage where neither party can say no," said the aide.

Shultz himself was more cir-

cumspect. But he, too, spoke of "a very forthcoming position from the government of Lebanon... Now we'll see what Israel has to say to that."

Earlier yesterday reports from Beirut said Shultz firmly hoped to end his mission successfully by the weekend.

Israeli officials, however, sought to inject a note of caution in the swelling optimism. After a two-and-a-half hour session with Shultz at the Foreign Ministry late last night, in which Shamir, Arens and their aides went through the draft agreement with the Americans clause by clause, Israeli officials said more "study" was required before they could "decide what to do next."

After Shultz and his party left, the Israelis continued to deliberate among themselves — a military team under Chief of Staff Moshe Levy and Aluf Avraham Tamir, and a political team under Shamir and chief negotiator David Kimche. Israeli officials said there would be a further "study" session this morning, and possibly further "clarifications" with the secretary of state.

They would not exclude the possibility that Israel might ask the secretary to return to Beirut yet again though they added that this "is not the present intention." They said that "there are still substantive

problems that have not been resolved."

The focal problem of Major Sa'ad Haddad is being tackled in the private meetings between Shultz and Begin, Arens and Shamir — not in the bigger working sessions. Shultz told reporters on the plane to Israel, "I have a way of getting at that."

One American official stated that Haddad might get less than he (and Israel) wants, "while maintaining a key command role over Lebanese forces in south Lebanon after an Israeli withdrawal."

Another of the problem issues that has apparently been settled by Shultz is that of the UNIFIL presence. An Israeli source indicated last night that there would be some role for the UN force, presumably in protecting the Palestinian refugee camps. This was one of the matters under "study" by the Israeli negotiators late last night.

Shultz told reporters he would be going to Damascus on Saturday. He said he would like to fit in visits to Saudi Arabia and Jordan before that.

Asked about the Syrian element in

the accord, Shultz said, "Obviously the Israelis are not going to withdraw if there is no indication of Syrian withdrawal, and PLO withdrawal. But it's a separate — a related but separate matter — basically between the government of Lebanon and Syria and the PLO... There are other things that Israel insists on: return of prisoners and bodies."

"This is a negotiation between Israel and Lebanon, and what the Syrian position is, is a separate thing."

The secretary indicated that the Israel-Lebanon signing would be done at a session of the Halden-Netanya negotiating group (and not, apparently, at foreign minister level as Israel had wanted).

Shultz appeared at the meetings in Jerusalem last night with a checked sweater under his suit jacket. He told his Israeli hosts he has a cold and cough.

Other than that though, the secretary told accompanying newsmen, he is feeling no physical ill-effects from the week's sustained negotiating effort. He was prepared, he said on the plane, "to work at it all night if need be."

## Levy: Syrians deployed offensively

Post Political Reporter

TEL AVIV. — The Syrians have strengthened their forces in Lebanon and are now positioned in a distinct offensive formation. This was the picture painted by Rav-Aluf Moshe Levy in his debut appearance as chief of staff before the Knesset Foreign Affairs and Defence Committee yesterday.

Levy told the committee members that the Syrians are in a constant state of alert and readiness.

The chief of staff stressed that there is no real clue as to the actual intentions of the Syrians. He noted that the Soviet presence has "greatly increased, both in military units which are deployed alongside Syrian forces, and also in an advisory capacity." There are Soviet advisers stationed in the Bekas.

Alignment MK Shlomo Hillel asked how the Americans evaluate the growing Soviet involvement in Syria and how this involvement is

explained in the context of relations with the U.S. Levy replied that one line of thought is that the Syrians and the Soviets are out to exert pressure and are also hardening their positions with an eye to possible contacts.

The new chief of staff was welcomed by the committee members, including committee chairman Eliyahu Ben-Elissar (Herut), and Mapam's Victor Shemtov.

Our Washington correspondent adds: U.S. Secretary of Defence Caspar Weinberger told a press conference in Washington yesterday that he has no information concerning a Soviet military presence with Syrian forces in Lebanon.

He added that the Soviet Union continues to send equipment and advisers to Syria. This, he said, adds to the tension and heightens the need for speedy agreement on the withdrawal of foreign forces from Lebanon.

## Palme discusses Mideast in interview with Post

By HIRSH GOODMAN  
Jerusalem Post Correspondent

STOCKHOLM. — Swedish Prime Minister Olof Palme said in an interview here that he would be willing to invite any representative of the Israeli government to Sweden to discuss the Middle East conflict, if there was any chance of success.

He told *The Jerusalem Post* that he was basically very pessimistic, not only because of Israel's policies, but also because there seems to be no change in the PLO's policy towards Israel. "It will soon be too late," he said.

Palme was speaking to *The Jerusalem Post* several days after PLO leader Yasser Arafat left Stockholm as Palme's guest.

A full account of the interview, which deals with Sweden's role in the Middle East and the UN will appear in tomorrow's *Post*.

In the interview, Palme explained why he compared Israel to Nazi

Germany, during the war in Lebanon. He also explained why he had made so many anti-Israel statements recently. He denied that he had any part in "dismissing" the Israel Labour Party to last year's May Day celebrations, saying that they are welcome to Sweden at any time.

Sweden, he said, was not pushing for an active role for UNIFIL in any Lebanese solution, but would answer the UN secretary-general's call for participation, if it came. He added, however, that any solution in Lebanon is a side-issue, claiming that the main Middle East problem is the issue of the West Bank.

He defended his silence over the human cost of the Iraq-Iran war, a conflict he was asked by the UN to end, saying that could not jeopardize his neutrality.

He also said that he was disappointed in Arafat's visit, because the PLO will still not take "the essential" step of recognizing Israel. Arafat, he said, would just not go that far, "but it was very difficult to pass judgement on people who obviously lead very risky lives."

## U.S.: Arabs must okay peace talks free of PLO

Jerusalem Post Staff

WASHINGTON. — President Ronald Reagan said yesterday that "the Arab states" would have to approve negotiations for an overall peace settlement in the Middle East without the participation of the Palestine Liberation Organization (PLO).

He was speaking to six reporters in the Oval Office, in a wide-ranging interview simultaneously broadcast to the White House press room. Asked about U.S. efforts to build upon the Camp David accords, Reagan said:

"Since the negotiations we are trying to bring about are between the Arab states and Israel for peace in the region, we have to recognize their position with regard to this. It would take them agreeing to go forward in negotiations without the PLO," said Reagan.

Reagan said U.S. officials talked with the heads of many Arab states "after the PLO rejected a plan for Jordan's King Hussein to take part in the Middle East peace negotiations. Hussein backed out of the talks, saying the PLO changes in the plan were unacceptable."

"I talked to all of them, (the leaders) and none of them wanted to accept the PLO in that new

proposal," said Reagan. "They felt about the same as we did and as King Hussein did."

In another Washington press conference yesterday, Secretary of Defence Caspar Weinberger gave a brief, formalistic description of American-Israeli cooperation in the production of the Lavi warplane.

"The servo-actuators and the flight control for the Lavi fighter and certain portions of wing and tail have been licensed," Weinberger said, adding that "production technology has been licensed for the first two of them and has not been licensed for the third, and my understanding is there are no actual formal requests pending yet."

Israel has asked several U.S. aircraft manufacturers for the technology to produce various of the Lavi's components, and has requested the necessary licences from the U.S. administration.

"There isn't any overall technological agreement, nor to the best of my knowledge has one been requested," confirmed Weinberger. With regard to the third, highly secret component which has not been licensed, the U.S. has agreed to supply Israel with the complete component, manufactured in the U.S., he said.

## Red Cross visits 2 PoWs in Syria

GENEVA (AP). — Two Israeli prisoners of war who are being held in Syria, were visited on Tuesday for the first time by delegates of the International Committee of the Red Cross, following a go-ahead from their captors, a radical faction of the Palestine Liberation Organization, the Red Cross confirmed yesterday.

It was the first verification by a neutral intermediary that the two men, captured last July in Lebanon by Ahmed Jibril's Syrian-backed faction were still alive.

Red Cross spokeswoman Michel-

le Mercier, told a reporter that the prisoners were visited by the agency's chief delegate in Damascus, Richard Gautier, and a doctor.

She said the two men were handed letters and parcels from their families. In accordance with Red Cross rules, the prisoners were interviewed privately, without the presence of their captors.

Israel Radio reported that the delegates later called the families to say the prisoners were in good health. But Mercier declined to comment on their condition, in line with the Red Cross' policy of maintaining confidentiality.

## Doron appointment sidetracked

By SARAH HONIG  
Post Political Reporter

TEL AVIV. — The appointment of Liberal MK Sarah Doron as her party's sixth cabinet member may be put into cold storage, not only because of the Liberal-Agudat Yisrael tug of war, but also because of new problems from within the Liberal Party's own divided ranks.

The new and greater threat to the Doron appointment came yesterday when the Liberal faction of Energy Minister Yitzhak Moda'i presented the Liberal leadership with a set of demands as a condition for the faction's five Knesset votes for the Doron appointment.

Herut leaders who have been negotiating tirelessly with Aguda in an effort to break the deadlock over the appointment reacted with dismay yesterday. A senior Herut MK told *The Jerusalem Post*: "Once again the Liberals have proved that they are their own worst enemies. We would have found a way to overcome the Aguda opposition and would have compromised with them somehow. A deal with Aguda was in the works, but if the Liberals' own house is in such disorder, all we can do is throw up our hands in

despair." Sources close to Prime Minister Menachem Begin said he may well do just that. As long as the problem was a battle between two coalition parties — Aguda and the Liberals — Begin was under pressure to undo the snarl.

Now Begin can adopt the attitude that it is the Liberals' problem and that, until they resolve it, he can manage without an additional Liberal in the cabinet.

The Moda'i complication was long in the making. The energy minister's faction had emerged the most powerful out of the 1981 party convention, but repeated deals between factions had whittled it down. Moda'i grew more and more frustrated. The last straw was the narrow defeat of faction member Deputy Agriculture Minister Pessah Grupper to Sarah Doron in the inner party battle for the nomination to the vacant Liberal ministerial seat. That seat was earmarked for another faction member, the late MK David Shifman. His death last autumn meant the loss of the cabinet appointment for the faction.

Yesterday Moda'i presented Liberal leader Simha Ehrlich with

the following demands as a condition for his faction's support for Doron: The appointment of another Moda'i faction member to replace Shifman as chairman of the Liberal Party's central committee, the appointment of faction member MK Pinhas Goldstein as a deputy minister, the appointment of faction member MK Yehuda Perah as deputy Knesset speaker and pressure by the party to get Grupper into the cabinet as a seventh minister. The faction can count on at least five Knesset votes — Moda'i, Grupper, Goldstein, Perah and Benny Shalita.

The group has served warning on the Liberal leadership and has also informed Begin that unless the faction's demands are met, they will not vote for the Doron appointment and will set themselves up as a separate faction inside the Likud.

This would effectively split the Liberal Party. The Moda'i group has announced that it would work for the unification of all the Likud's component parties into a single political entity. All five MK's in the group are hawks and close to Herut. However, a split in the Liberal Party

(Continued on Page 2, Col. 4)

DEADLINE  
TODAY 5PM

If you missed placing your classified advertisement in *Haluach Hechadash*, don't fret. You can still do it today. Take your ad to any advertising agency, or an office of Ma'ariv or Ha'aretz. It will appear tomorrow in Hebrew in those papers and, if it reaches the head office of *Haluach Hechadash* before 5 p.m., it will also appear in English in *The Jerusalem Post*, as well as in Hebrew in Ha'ir for the Dan Region, and in Kol Ha'ir for Jerusalemites.

Close that deal with an ad in *Haluach Hechadash*.



## The weather at major Swissair destinations

	4.5.83	MIN.	MAX.	WIND	WEATHER
AMSTERDAM	8	48	16	61	Cloudy
BRUSSELS	8	43	16	61	Cloudy
BUENOS AIRES	16	60	21	69	Cloudy
CHICAGO	5	41	10	51	Cloudy
COPENHAGEN	9	43	9	46	Rain
FRANKFURT	8	46	13	55	Cloudy
GENOVA	9	43	11	32	Cloudy
HELSINKI	8	46	16	81	Cloudy
HONG KONG	23	73	28	82	Clear
JOHANNESBURG	17	63	23	73	Clear
LONDON	12	54	19	66	Clear
MADRID	5	41	15	39	Cloudy
MONTREAL	5	41	15	39	Cloudy
NEW YORK	15	60	28	79	Cloudy
OSLO	5	41	13	59	Cloudy
PARIS	10	50	18	61	Cloudy
RIO DE JANEIRO	19	67	28	83	Cloudy
SAO PAULO	18	64	22	71	Cloudy
STOCKHOLM	16	58	20	73	Clear
TOKYO	16	58	20	73	Clear
TORONTO	7	45	17	43	Rain
VERONA	8	46	16	61	Cloudy
ZURICH	8	46	16	61	Cloudy

For the latest weather conditions, contact Swissair.

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**SOCIAL & PERSONAL**

The World Zionist Organization yesterday held a reception at Tel Aviv's Beit Sokolov for a group of writers and directors from North Africa who live in France.

A cooperation agreement was signed yesterday between Tel Aviv University and the University of Belgrano, during a meeting of Dr. Avelino J. Porto, rector of Belgrano University, with Prof. Haim Ben-Shahar, president of Tel Aviv University, Prof. Yoram Dinstein, rector of TAU, and a group of professors, to discuss areas of academic exchange. Dr. Porto lectured at the Faculty of Law on "Argentina Today."

Members of the Melvin M. Belli Society of the United States, an affiliate of the American Trial Lawyers' Association, yesterday visited the Weizmann Institute of Science, where they lunched with Institute President Michael Sela and met with institute professors.

The Morris and Helen Mauerberger Chair in Neuropathology was dedicated last week at Tel Aviv University Medical School. The chair was made possible by the Mauerberger Educational Foundation headquartered in Cape Town, South Africa.

The large gathering which assembled on May 3 at the WIZO-France Municipal Vocational Secondary School, Tel Aviv, to celebrate International Children's Day was addressed by the patroness of the event, Mme Jacques Dupont, wife of HE the French Ambassador and by World WIZO President Raya Jaglom.

Attorney Aaron Polonsky, one of the founders of the Tel Aviv University Law School, will receive an honorary fellowship from the university today for his pioneering work in teaching, research and other aspects of legal life.

**ARRIVALS**

Mr. and Mrs. Lawrence Leeds, Mr. and Mrs. Dominic Ramen, Mr. Bernard Rubino, Mr. and Mrs. Peter Rubino and Mr. and Mrs. Jack Weiler, all of the United States, and Mr. and Mrs. Sally Yach of South Africa, for the 14th Board of Governors Meeting of Ben-Gurion University of the Negev.

**Howard Squadron to meet Mubarak**  
Jerusalem Post Reporter  
American Jewish Congress president Howard Squadron flew to Cairo last night for a previously unscheduled meeting with Egyptian President Hosni Mubarak, sources in Jerusalem said last night.

As former president of the Conference of American Jewish Presidents, Squadron has in the past played an informal intermediary role between Israeli leaders and foreign governments, including the U.S. and Egypt.

**U.S. takes four golds in Hapoel track events**

By PAUL KOHN  
Post Sports Reporter

TEL AVIV. — The U.S. took four gold medals, Germany and Rumania two each, and Great Britain and Finland one each at last night's opening session of the track and field events in the 12th Hapoel Games. The meet is taking place at the sparkling new Hadar Yosef stadium, which promises to revolutionize athletics in this country. Two thousand spectators saw famous international stars in action under perfect conditions.

Larry Myricks (USA) won the 100m. sprint in 10.39 seconds, followed by Ronnie Taylor (USA) and Louis Schneider (Chile).

There was a surprise in the men's high jump, when West Germany's Carlo Thirionhardt beat his highly rated countryman Dietmar Moegenberg with a jump of 2.24m. Greg Jove of Canada was third.

Rumanian women registered remarkable performances in the long jump and shot-put. World record-holder Anisoara Cusimir jumped 6.86m. and Florentina Craciunescu hurled the shot 17.34m.

## HOME NEWS

### Big win for left in HU vote

By BENNY MORRIS  
Jerusalem Post Reporter

The left won a resounding victory in the Hebrew University student union elections on Tuesday.

With a turnout of 2,288 (out of a student-body of some 15,000, of whom 5,200 are union members and eligible voters), the Labour-affiliated Ofek list and two groups to its left won at least 50 of the union convention's 87 seats.

The incumbent Kastel list, affiliated to the Likud bloc and the Tehiya Party, won only 13 seats. Kastel had dominated the union for the past eight years, a domination marked by repeated charges of electoral malpractice and financial irregularities, and clashes with the university administration.

A university official noted that this was the first student union election in many years "without any violence and properly organized and supervised. The university supervision of the poll was very active," he said.

In accordance with a prior agreement, the election was overseen by an outside observer, lawyer Shmuel Finkelman.

By yesterday evening, the allocation of seats at the convention was as follows: Ofek (Labour) 34; Ometz (Mapam) seven, Campus (Sheli and other groups) nine, Chlorofil (the Labour-aligned list of the Agriculture Faculty in Rehovot) 10, Alef (apolitical) one and Kastel (Likud-Tehiya) 15.

The remaining 11 seats have not yet been allocated because of tied votes at five of the 43 polling stations, and because of technical problems at the pre-academic mechina polling station. A revote will take place within a week in these stations.

According to university sources, the simultaneous polling for the student council will probably be similar to the party lines taken in the vote for convention delegates.

University officials refrained from commenting on the election

results yesterday, preferring to wait until the results are officially signed and sealed next week.

One university observer with Labour sympathies noted that Kastel's 1976 victory augured the national mahapach (upheaval), in which the Likud came to power in May 1977. "Perhaps this second mahapach on campus is an indication of a national trend as well," he said.

Unofficial returns last night in the proportional representation vote for the student council had Kastel with 35 per cent of the vote, Ofek with 30 per cent, Campus with 20 per cent, Ometz with 10 per cent and Chlorofil with 5 per cent.

A Campus faction spokesman said last night that the differences in the two votes was due to Campus's voluntary withdrawal of its own candidates and support of Ofek's in many departments. He said that Ofek had refused all cooperation with Campus before the poll.



Students count ballots yesterday in the Hebrew University student union election. (Rahamin Israeli)

### Navon reduces jail sentence of convicted murderer

Jerusalem Post Staff

In his last act as president, Yitzhak Navon Tuesday night decided to reduce the sentence of Seif e-Din Zeidan, a convicted murderer from Yama in the Samaria foothills.

A TV report Gil Sadan on Zeidan's case was broadcast Tuesday night.

Zeidan was convicted in 1974 of murdering his sister Husniya to protect the family honour, and was originally given a life sentence, along with his father. His father's sentence was commuted some four

months ago, and he was released. Zeidan was convicted on the basis of a confession. But he later retracted the confession, saying that his father had killed Husniya, and that he had confessed in the hope of keeping his father out of prison.

The story reached the TV through Haifa University anthropologist Dr. Yosef Ginal, who came across the case while doing field research in Yama.

Zeidan may be released next week if, as expected, the prison's release committee takes off a third of his sentence for good behaviour.

### 'Students stole exam papers, sold them for money and sex'

By MICHAEL YUDELMAN  
Jerusalem Post Reporter

TEL AVIV. — Student Union activists stole examination papers from the Tel Aviv University Press, which is operated by the union, and "sold" them to students for money or sexual bribes. This was stated at the District Court here yesterday by defence counsel for former union chairman Eli Kraus.

Attorney Ya'acov Weinroth told the court that a former student would testify at the next hearing that Eli Kraus, former student union chairman, agreed to give her an examination paper in return for sexual favours. Kraus denied this under cross examination.

Weinroth asserted that the manager of the union's publishing house, Amir Yishai, was expelled, and as "compensation" received from the union the franchise of the Bar-Minan cafeteria, "to keep him quiet concerning corruption in the union."

The defence maintained that the Herut movement financed the election campaign of those heading the union (Hauven confirmed, this to the court) and placed its activists, many of whom are not students at

all, in key positions.

Advisers to ISSTA-Lines, a subsidiary of ISSTA, the union's travel agency, receive IS3 million a year for this post, Hauven told the court in answer to a question. He himself, as an ISSTA-Lines board member, does not receive pay but only an annual flight abroad and flights to international students' conventions, he said.

Herut activists Moshe Peri and Dubi Bergman used the press services of the publishing house for Young Herut free of charge. Weinroth said. Hauven said that Young Herut were charged for the publishing, but have not paid yet.

Kraus, who is charged with bribery, theft, extortion and breach of trust, asked Hauven for a \$4,000 bribe, the defence maintained. This was to finance the union's legal battle against the university, which had withdrawn its recognition from the union. "The union was in an awkward situation, as the university had placed a lien on its bank accounts and was endangering Herut's control over the union," Weinroth said.

The next hearing was set for five weeks from now.

### Teachers' strike called off

By LEA LEVAVI  
Jerusalem Post Reporter

TEL AVIV. — The teachers' strike threatened for today has been called off, but whether the reprieve is temporary or permanent will be determined after next Sunday's cabinet meeting.

At his meeting yesterday with leaders of the two teachers' unions (Histadrut Teachers Union and Secondary School Teachers Association), Education Minister Zevulun Hammer reported that Education and Finance Ministry officials had reached an agreement on a timetable for implementing the Etzioni recommendations and on cost figures.

The minister asked the teachers to postpone their strike until after the cabinet meeting, when the issue of how to pay for the implementa-

tion of the Etzioni recommendations will be discussed.

The teachers agreed to wait, and the joint committee of the two unions will meet on Monday to decide, on the basis of the cabinet decision, whether the next step is negotiations or a strike.

### Shots fired in chase on Ramle-TA road

RAMLE (Itim). — A car chase and a shootout on the Ramle-Tel Aviv road yesterday ended without any arrests after a policeman managed to shoot a tire of the car he was pursuing.

Police believe that the car's three occupants were on their way to commit a robbery when a policeman at a radar trap caught

### DORON

(Continued from Page One)

could spell great trouble for the coalition as the various parts are sure to compete amongst themselves, thereby increasing instability and fomenting tension.

The Moda'i group has already announced that if a split does result from its move yesterday, it would strive to push through all of the Liberal legislation thus far not enacted. This includes a second TV channel, a national health programme, a national pension scheme, doing away with rent control regulations, and sale of public lands. Many of these laws are controversial even within the coalition and if two Liberal factions vie with each other to keep them on the government's agenda, this could create very real trouble for the coalition.

While the Liberal cauldron was bubbling yesterday, Aguda kept relatively quiet but it did hotly deny all Likud claims of a deal in the works.

Still another unsurmounted hurdle in Doron's way to the cabinet yesterday was the Tehiya demand that Science and Development Minister Prof. Yuval Ne'eman be allowed to resign his Knesset seat and then be reappointed to the cabinet along with Sarah Doron.

As things stood yesterday, Doron could not count on 13 of the coalition members — four from Aguda, three from the Tehiya, possibly five fellow Liberals and MK Haim Druckman of the new Matzad party.

### PULLOUT PACT

(Continued from Page One)

visit Damascus on Saturday, apparently in a bid to get the Syrians to go along with whatever agreement has been reached between Israel and Lebanon. By last night, however, there was no official confirmation from Syria that such a visit was on.

It is also not clear how Shultz hopes to persuade the Syrians to withdraw their troops, which Israel has stressed remains a precondition for the withdrawal of its own forces from South Lebanon.

Lebanese President Amin Jemayel yesterday dispatched two special envoys to Riyadh to brief the Saudis on Lebanon's latest position, as presented to Shultz yesterday, in an apparent bid to allay any suspicion that Lebanon is about to "sell out" to Israel.

Somewhat surprisingly, there were no reports last night of a similar attempt to brief the Syrians on Lebanon's latest position, although Salem was in Damascus earlier this week.

### Couple found shot dead in Netanya

NETANYA. — A married couple was found dead yesterday afternoon after police and firemen broke into their apartment here. Yehiel and Naomi Levy were found in the bedroom of their home and Yehiel was holding a pistol.

Naomi's 14-year-old daughter and a friend reported to the police at 3 p.m. that "something has happened at home."

Yehiel, a widower, had five children from a previous marriage, and Naomi, a divorcee, had three. Most of the eight children live in institutions.

Police believe that Yehiel killed his wife and then shot himself. The couple were reportedly on bad terms.

### Iran expels 18 Soviet diplomats

LONDON (Reuters). — The Iranian Foreign Ministry yesterday told 18 Soviet diplomats to leave the country within 48 hours, Iran's national news agency IRNA reported.

The agency, monitored in London, said the Soviet Ambassador was summoned to the ministry and told that the diplomats serving at the embassy in Teheran and elsewhere in the country were persona non grata and had to leave.

The expulsion followed an announcement by the prosecutor-general earlier yesterday that the pro-Soviet Tudeh (Communist) party was being dissolved. It had been accused of espionage (see Page 4).

IRNA said the Soviet diplomats were accused of interfering in the internal affairs of Iran through establishing contacts and taking advantage of "treacherous and mercenary agents."

Moscow's relations with the Islamic leadership worsened after the defection to Britain last year of a Soviet diplomat based in Teheran, Vladimir Kuzichkin, who was in charge of relations with the Tudeh party.

### Football court to decide today on Betar

Jerusalem Post Reporter

TEL AVIV. — The Supreme Disciplinary Court of the Israel Football Association has deferred until today its decision on the appeal by Betar Jerusalem against the punishment imposed on it last week by a lower disciplinary court. Betar was punished for violence by fans at the Bloomfield Stadium during a State Cup match against Hapoel Tel Aviv two weeks ago.

The court heard the arguments of Betar representatives, while 2000 Betar supporters demonstrated peacefully outside. They carried banners reading: "Betar won't be extinguished"; "No violence no punishment"; and "Betar will never walk alone."

The sentence bars Betar from participating in the State Cup competition next season, and obliges Betar to play their first seven home matches next season without spectators at least 50 kms. outside Jerusalem. In addition Betar must pay for all damage — estimated at over IS 1 million — caused by the Bloomfield riot.

### Youths stone Elon Moreh car

Jerusalem Post Staff

NABLUS. — A car belonging to settlers from Elon Moreh was stoned yesterday afternoon by Nablus youths as it passed a school on the east side of the town. The settlers stopped the car and opened fire on the stone-throwers. There were no injuries.

Army and police units arrived shortly afterwards and detained those present for identification purposes. Thirteen youths were subsequently arrested after being identified by the settlers as the stone-throwers.

Security forces closed the school until further notice.

In another incident, youths stoned an Israeli truck near Kalandiya, north of Jerusalem, yesterday, breaking its windshield. No casualties were reported.

### Moslem clergymen complain of status

By YOEL DAR  
Jerusalem Post Reporter

NAZARETH. — Over 250 Moslem clergymen here have asked the Religious Affairs Ministry to pay them the same salaries as their Jewish counterparts in the rabbinical councils, and to grant them state employee status.

Dr. Nissim Dana, head of the non-Jewish Communities Division at the Religious Affairs Ministry yesterday expressed surprise at the demands raised by the Moslem clergymen. He said that the clergymen were in fact paid the same salaries and given the same social benefits as those given to state employees.

He added that the only difference between them and the other state employees is that some Moslem clergymen do not receive an official pay slip. He explained that over 40 per cent of the Moslem clergymen are over 65 years old and must retire, according to the law. Since the ministry wishes them to continue serving their community, they do not receive the official salary payroll.

We mourn the death of

**HENRY JULIUS KIRSCH**

Past Chairman and Managing Director

and offer sympathies to the family.

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In deep sorrow, we announce the death of our beloved husband, father-in-law, our dear opa and cousin

**ADOLF LIPPMANN**

The funeral will take place at 10:45 a.m. at the Kfar Samir cemetery, Haifa, on May 5, 1983. Bus transportation from 100 Arlosoroff Street at 10:15 a.m.

Wife, Jdl Lippmann

Our beloved

**HENRY J. KIRSCH**

has passed away.

The funeral will take place, today, Thursday, May 5, 1983 at 1.30 p.m. at the Sanhedria cemetery, Jerusalem.

Rivka Kirsch  
Amnon and Shirly Kirsch  
Ella and Elhanan Jacobson, Johannesburg  
Ruth and Dror Berman  
Grandchildren and all the Family

The Israel Interfaith Association  
remembers with appreciation and affection

**GABRIEL STERN**

one of its founding and most active members, who devoted his life to the advancement of dialogue and peace among the peoples and religious communities of Israel.



# U.S. currently investigating some 200 war criminals

By ROBERT ROSENBERG  
Jerusalem Post Reporter

Some 200 suspected World War II war criminals living in America are now under active investigation by the U.S. Justice Department's Office of Special Investigations (OSI).

Some 400 more cases against similar suspects throughout America have been closed because investigators have been unable to corroborate evidence against them. Previous reports have said there are only 40 such cases in America.

Next week, OSI acting director Neil Sher and U.S. Justice Department's assistant deputy attorney general Mark Richards will meet with Justice Ministry officials to discuss what to do with the war criminals the U.S. is trying to deport.

Former OSI director Allan Ryan wrote an internal memorandum 18 months ago, in which he raised the possibility that the U.S. send deported war criminals to Israel for trial.

The Post has learned that several weeks ago, a tripartite committee of officials from the Justice Ministry, the Foreign Ministry and the police department of investigation of Nazi criminals, was unanimous in its belief that Israel should not accept war criminals depor-

ted from the U.S.

But the decision rests with Justice Minister Moshe Nissim and the cabinet. Since the meeting a few weeks ago, pressure has been mounting for Israel to accept the deported war criminals.

The Post turned to members of the U.S. delegation and to Israeli officials directly involved in the negotiations, but none was prepared to comment. Israelis working for the American delegation also refused to comment, saying that the negotiations between the two sides could be "jeopardized" by premature publication.

A supposed major concern of all parties is that premature publication of a decision on either to accept the deportees could prompt the suspects to flee to South America.

Among the reasons being mentioned in some Jerusalem circles for refusing to accept the war criminals for trial here, are the expense involved and the possibility that the trials may not yield enough evidence for convictions or heavy sentences.

But one source close to the investigation said he was "astounded" to hear Israel is hesitating. Former Justice Minister Shmuel Tamir also has expressed "astonishment" that

"anybody should question Israel's responsibility" to try former Nazis and war criminals.

Most of the war criminals being investigated were not members of the Nazi party, or indeed Germans, but rather citizens of Eastern European countries that were under Nazi occupation. Among them are Lithuanians, Ukrainians, Hungarians, Russians, Poles, and Croats. Almost all could conceivably be sent to the Soviet Union for trial and punishment, but it is not clear whether the Soviets would accept them, despite an activist anti-Nazi policy by the Soviet government.

Indeed, in the past, Moscow has assisted the OSI, which was set up five years ago to specifically investigate war criminals living in America. OSI officials have made at least a dozen trips to the Soviet Union to take testimony from surviving witnesses.

As is the case in many trials involving war criminals, there is a dwindling number of witnesses available to provide testimony.

Of the 25 people found alive in Treblinka at the end of the war, fewer than half are now alive. Furthermore, since many of those under investigation — mostly concentration

camp guards — were not Germans, they are not listed at the Berlin Documentation Centre, a U.S. government-controlled archive of Nazi documents.

Sof far, of the estimated 600 cases the OSI has looked at, only three war criminals have been ordered deported, and only one has actually left the U.S. But, five years after OSI was founded, officials now believe that they are about to get deportation orders through U.S. Immigration Courts, against a large number of former Nazis and collaborators.

Sources familiar with the OSI operation and with Holocaust research, have told The Post that the OSI is deeply committed to success in unveiling the Nazi pasts of those under investigation, and seeing them brought to trial. The same sources are "deeply perturbed" that there has been any hesitation by the Israeli government to accept the deportees.

The Rumanian government has not accepted 68-year-old Archbishop Valerian Trifa, who allegedly incited the 1941 Bucharest riot that left about 240 people — mostly Jews — dead. He had been living in Chicago until his deportation. Trifa may become the first of the deported former war criminals to face trial in Israel.

## TAU scientist develops no-bomb reactor concept

By CHARLES HOFFMAN  
Jerusalem Post Reporter

A Tel Aviv University scientist has developed a concept for a nuclear reactor fuelled by thorium, which does not produce fissionable materials that can be used to make atom bombs. Existing reactors are based on uranium.

Foreign investors are considering funding intensive development of the concept, which was devised by Prof. Alvin Radkowsky, considered one of the world's experts in nuclear reactor design. Radkowsky is chief scientist of the marine reactor division of the U.S. Atomic Energy Commission for 20 years, and settled in Israel in the early 1970s.

Conventional nuclear reactors fuelled by uranium produce plutonium as a by-product, which can be recovered and used to make atom bombs.

The head of the nuclear power division in the Energy Ministry, Amnon Einav, explained that Radkowsky's reactor concept is considered "non-proliferative" because the isotope of uranium created as a by-product is almost impossible to convert into weapons-grade material. Einav said that another advantage of the concept is that the type of uranium used with

the thorium is less than 20 per cent enriched, and thus easier to obtain. Thorium, a soft radioactive metal, is found in plentiful quantities on the earth's surface. Einav said, and is about as difficult to mine and refine as uranium. It is not considered a strategic material.

Energy Ministry chief scientist Haim Elata said that U.S. and Canadian scientists have been trying to develop a thorium reactor for many years, but without success. He said that the ministry has already allocated \$170,000 for preliminary studies of the feasibility of the concept. It plans to spend another \$100,000 on further design studies during the next two years, after which it would be possible to start building a pilot plant.

Elata cautioned that it would take "many years and a lot of money" for the concept to yield a practical pay-off. About \$600,000 is needed for the next phase of development.

Elata noted that the successful development of a thorium reactor would make it possible for countries to develop nuclear energy without being bound by the restrictions of the Nuclear Non-Proliferation Treaty. Israel has not signed the treaty because it would require international inspection of all the country's nuclear facilities.

## Coalition falters as Knesset term begins

Post Knesset Correspondent

The first week of the Knesset's summer term has been a flop as far as legislative work is concerned. Because of the absence of deputy finance minister Haim Kaufman, two bills posted for yesterday's session were scratched at the last minute. No coalition majority was available in the case of two other bills, so one of them was not brought to the vote while the second was scratched.

Kaufman's absence has caused the deferment of the first reading of a bill to provide a statutory basis to the 1 per cent levy on the purchase of foreign currency.

But the most controversial coalition failure belonged to the National Religious Party, when the

lack of a majority yesterday on a government bill it had sponsored to prevent *kashrut* fraud, led to the postponement of the vote to a future session.

The opposition monopolized the debate on the first reading, with attacks on the *kashrut* law for being too comprehensive. But it was Agudat Yisrael which hit the NRP below the belt. Although the Aguda had promised the NRP it would support the *kashrut* law on the first reading, and seek to change the draft in the committee stage, the Aguda man at the session, Shmuel Halper, slipped out of the chamber just before the vote.

Aguda does not like the *kashrut* bill in the form sponsored by the NRP because it would give in-

creased power to local rabbis associated with the NRP. Not enough Likud MKs were present to help make up a majority.

Similar legislation was first tabled 20 years ago, but it never got off the ground because of suspicion that it was designed to build up the NRP.

Alignment and Shinui speakers condemned the proposal because, instead of linking the *kashrut* certificate to *kashrut* food and *kashrut* cooking in a *kashrut* kitchen and restaurant, it would sanction the past practice of many rabbis to deny a certificate for unrelated reasons — such as if hotel lifts operated on the Sabbath; if non-Orthodox Jews held functions elsewhere on the premises; or if music was played on the premises on Friday nights.



Neighbourhood activist Yamin Suissa (right), MK Charlie Biton (centre) and former Black Panther leader Sa'adia Marciano (left), relax outside the Supreme Court in Jerusalem yesterday. Suissa lost his appeal against a four-month jail sentence, with four months suspended, for escaping lawful detention. Head of the *Ohalim* organization of activists from deprived Jerusalem neighbourhoods, he was originally detained for making an obscene sign to a policeman. (Rahamim Israeli)

## Subsidy halt threatens services for blind

Jerusalem Post Reporter

TEL AVIV. — Facilities and services for the blind may be cut back or closed down altogether if IS4 million owed by the government is not paid soon.

—Heral Muecher, deputy director of Tel Aviv's Centre for the Blind, said yesterday that the Rehabilitation Centre for the Blind in Herzliya and Migdal Or in Kiryat Haim, near Haifa, had to use money raised from the public to pay employees' salaries.

The voluntary associations for the blind around the country are also having financial difficulties, because money owed them by the government has not been paid for three months.

Blind individuals are entitled to refunds on most of the taxes on cer-

tain household appliances, from refrigerators to tape recorders. These refunds are being held up, as are subsidies for special equipment for the blind. Braille typewriters, canes, Braille watches and other items are sold at the Centre for the Blind for a small fraction of the cost, with the government supposed to pay the rest.

The organizations involved sent a telegram to Labour and Social Affairs Minister Aharon Uzan yesterday asking for an urgent meeting with him and for a speedy solution to the problem.

A spokesman for the Ministry of Labour and Social Affairs said in response that the Finance Ministry has promised to provide money by the end of this week or the beginning of next.

## Boys will be boys, but without earrings

Jerusalem Post Reporter

BEERSHEBA. — Male high school pupils at the Beit Hapaid secretarial college here will be dismissed if they wear earrings. The school's vice-principal told *The Jerusalem Post* that the earrings had to be removed "for the boys' own sakes to protect them from rumours of homosexuality."

He added that, if a psychologist or doctor ruled that removal of the earrings would damage the boys' personalities, the school would reconsider.

One of the youths told *The Post* that the authorities had been "very arbitrary about it." Some of the boys had agreed to remove their earrings, he noted, but he had not.

## Honorary doctorate for Ingmar Bergman

Jerusalem Post Staff

Outgoing President Yitzhak Navon and Swedish film director Ingmar Bergman will receive honorary doctorates from the Hebrew University of Jerusalem at a ceremony next month.

Other honorary doctorates will go to Nobel Prize-winning chemist Prof. Aaron Klug, Israel prize-winner Prof. Jacob Katz, and Jewish community leaders Samuel Cohodas of Michigan, Leslie Frankel of South Africa and Otto Steiber of Florida. This was announced at yesterday's opening session of the HU Board of Governors meeting.

The 1983 Solomon Rubinek Prize will go to Claude Kellman of France and the Rothberg Prize will go to Rabbi Isaac Gross of South Africa. University Rector Don Patinkin

### CORRECTION

In yesterday's article on the World Health Organization congress in Geneva, the list of countries supporting Israel should have included Swaziland, rather than Switzerland. We apologize for this typographical error.

## Bat Dor brochure causes row in Kenya

By LEON HADAR  
Jerusalem Post Correspondent

NAIROBI. — Despite a wave of protests at the use of the phrase "the dark continent" in a publicity brochure it appears that the Israeli Bat Dor dance company will perform here this week. The group has just completed a series of performances in Zaire.

A spokesman for the Nairobi provincial commissioners office told *The Jerusalem Post* yesterday that "we see nothing wrong in the troupe performing cultural dances in Kenya." There has reportedly been heavy booking for the performance, at the National Theatre here.

However, a member of Bat Dor in Tel Aviv, Noa Darby, said yesterday that it was not yet definite that the five scheduled performances in Kenya would go ahead.

She said that company general manager Barry Swersky, and public relations manager Joseph Frenkel had flown to Nairobi from Kinshasa on Tuesday to try to clarify the situation.

Darby said she understood that the sudden resistance to Bat Dor's appearance was political, inspired by the Arab lobby, and not particularly related to the wording of a brochure.

The offending phrase in the Bat Dor brochure reads:

"This is the first time since the severing of diplomatic relations with the African states (10 years ago) that an Israeli dance company has been invited to perform in the heart of the dark continent."

*The Daily Nation*, Kenya's largest newspaper yesterday questioned the political wisdom of allowing Bat Dor to perform in Nairobi and criticised the publicity brochure as demeaning to Africans.

"Kenya has been politically sensitive since Kenya, along with other African states, severed diplomatic relations with Israel after the Yom Kippur War," it said in an editorial.

"We all know that the term 'Dark continent' was coined by colonialists who thought Africans were half-developed human beings, or sub-humans...How then can a well-meaning guest of Africa pick up the term from history's dustbin and use it."

The Libyan embassy issued a statement claiming that the tour was a "premeditated act with a view to provoking and humiliating" the Libyan national soccer team, whose Saturday game against a Kenyan team coincides with Bat Dor's premiere here.

It said that the performances will not only "greatly injure" the national pride of the visiting Libyan athletes, but would also "wreck" Kenyan-Libyan bilateral relations.

## Lapid defends TV and radio broadcasts

By JUDY SIEGEL  
Jerusalem Post Reporter

Broadcasting Authority director-general Josef Lapid, who has recently been criticised by cabinet ministers and MKs, yesterday came out in defence of TV and radio broadcasts. "We are now reaping the fruits of years of hard work," he declared.

Meeting with reporters, Lapid said that there is a large gap between the image and the reality of TV House and Kol Yisrael. He noted that TV will complete a major transformation to full colour broadcasts within the next few weeks, and that radio had instituted the Voice of Music FM channel, with its 19 hours of classical music every day. He credited TV director Tuviya

Sa'ar and radio chief Gideon Levy with these improvements.

Lapid was asked about the possibility of producing another satirical TV show like the successful *Nikol Rosh* (Cleaning the Head) some years ago. He said he would support the idea if a good team of writers could be mobilized.

Responding to complaints by classical music lovers who lack FM radios, Lapid explained that to establish a separate AM/FM frequency, instead of separating the music programme from the AM frequency, would cost too much money. According to some estimates, the purchase and operation of a new transmitter would cost about \$20 million, he said.

## Haifa police net 'treasure trove' of stolen goods

Jerusalem Post Reporter

HAIFA. — Detectives raided the Tirat Carmel home of a suspected fence on Tuesday night and recovered a "treasure trove" of stolen property worth hundreds of thousands of shekels.

The haul, which included jewelry and video equipment, is believed to be the proceeds of several burglaries in the Haifa area in the past few months.

The suspect, who has been under police surveillance for some time, was arrested in the Tirat Carmel area earlier in the evening — allegedly in the act of buying stolen property. The would-be seller was also arrested and both men are due to appear in court today.

Police said they are continuing their inquiries and more arrests are expected.

## Haifa U. raises \$10m. to offset gov't cuts

Jerusalem Post Reporter

HAIFA. — A sum of \$10 million has already been pledged to Haifa University's newly-established Chancellor's Development Fund, and will be used to offset government financing cutbacks, the university's Board of Governors was told yesterday. The annual meeting of the board, which opened on Monday, is due to end today.

American businessman Nathan Angell, who was appointed First Honorary Life Chancellor of the university at a special ceremony on Tuesday night, inaugurated the fund with a \$1m. donation.

## Wallenberg remembered in Jerusalem

By HAIM SHAPIRO  
Jerusalem Post Reporter

It will be a birthday without the main participant, but no efforts are being spared to observe the 70th birthday next week of Raoul Wallenberg, the Swedish diplomat who saved 100,000 Jews from the Nazis.

Speaking at a press conference at Beit Agon in Jerusalem yesterday, Moshe Gilboa, director of the World Jewish Affairs division of the Foreign Ministry, said that Wallenberg, who extended Swedish diplomatic protection to as many Jews of Budapest as he could, represented all the good deeds of the Swedish nation during the Holocaust. Ironically, it was the Nazis, but the Soviets, who arrested him after they entered Hungary.

The Soviets for many years claimed that Wallenberg had been killed in Budapest during the fighting; later they said he had died of heart failure in 1974. "We hope he still lives," Gilboa said, adding that efforts to learn of his fate have not been abandoned.

A special delegation is arriving from Sweden next week to mark the birthday. It will include Per Anger, former Swedish ambassador to Canada who worked with Wallenberg in Budapest, and Per Ahlmark, former deputy prime minister of Sweden.

Also arriving will be BBC reporter John Bierman, who wrote a feature programme on the missing Swedish diplomat.

The visitors will plant trees in honour of Wallenberg and attend a special Knesset session, where it is hoped that honorary citizenship will be bestowed on Wallenberg. They will also take part in the dedication of a plaque at the house in Rehov Arlozoroff in Haifa where Wallenberg lived before World War II.

Speaking of the Soviet refusal to disclose the fate of the diplomat, Gideon Hausner, chairman of the Yad Vashem council, noted that it was sad that so little could be done to save him. Hausner told reporters that Adolf Eichmann twice threatened the Swedish diplomat, saying his diplomatic passport would not protect him from an accident. In fact, Hausner said there were two assassination attempts.

## THIS WEEK'S EVENTS THE TEL-AVIV MUSEUM 27 SHAUL HAMELECH BLVD. TEL. 257361

### Presentation of the Tel Aviv Museum Prizes

The Jacques O'Hana Prizes to Young Israeli Artists  
1983 Prizewinners: Gabi Klesner and David Reeb  
The Eugen Kolb Prize for Israeli Graphic Art  
1983 Prizewinner: Uri Lifshitz  
The Mendel Pundik Fund for the Acquisition of Israeli Art  
1983 Acquisition: Painting by Menashe Kadishman  
Founding of the Haim Gamzu Fund for the Advancement of the Arts

### Guest Lecture

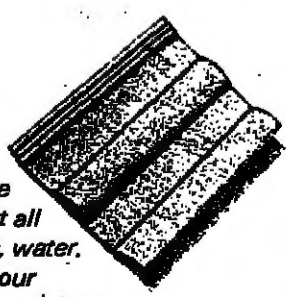
"Collecting for the Guggenheim Museum"  
by Tom Messer, Director of the Guggenheim Museum, New York.  
In English, accompanied by slides.  
Today, Thursday, May 5, at 8.00 p.m., at Tel Aviv Museum, Shaul Hamelech Blvd.

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AN AGREEMENT between Israel and Lebanon is not only an important objective in itself, but also a kashrut certificate which will be very valuable to Israel in its future relations with the U.S.

Such is the view of Likud MK Ehud Olmert, one of the eloquent young men in the dominant faction, who belongs to the small La'am wing.

Olmert takes more interest in Israel-U.S. relations than any of his fellow backbenchers in the Likud. This is in part because of his frequent visits to the U.S., usually on lecture tours, but also as an official or a guest of institutions.

The fact that Olmert is on back-slapping terms with important figures in Washington does not make him an Uncle Tom, however. In line with his extremely close ties with former defence minister Ariel Sharon, Olmert frequently criticizes American policy on a wavelength similar to that of Sharon.

Olmert seems to be sought after by people inquiring about hawkish views inside the Likud who do not want to approach Sharon himself.

The 38-year-old lawyer, probably the most controversial of his age in Jerusalem, told *The Jerusalem Post* this week: "Getting the Syrians to agree to evacuate Lebanon is mainly an American problem, even though Israel is very much in-

terested in the outcome, naturally. "The U.S. may look at Syria with a different eye if Syria refuses to withdraw its troops concomitantly with Israel," he says. "The (Reagan) Administration already regards Syria much more realistically today than it did when the Syrian foreign minister visited Washington late last summer and generated the impression that his government would gladly operate with American plans for Lebanon."

Olmert, like an increasing number of MKs nowadays, toys with the possibility of Syrian withdrawal to the 45 km. line and the further fostering of Major Sa'ad Haddad's militia forces, to protect the security zone required for the defence of Galilee.

He says: "This would not be the peace we heard about last summer, admittedly, but it would be a satisfactory solution to the problem along the border, because it would provide a wide enough security zone, which the Litani Operation of 1978 failed to provide."

OLMERT comments that American actions in Lebanon must be explained by the administration's desire, and need, to show some diplomatic achievement, in return for its involvement. The Reagan

## AMERICA'S MISTAKE

By ASHER WALLFISH/Post Knesset Correspondent

Administration wants, he says, "to play the role of a successful power broker in the Middle East, but the last thing it wants to do is to keep American boys permanently in Lebanon, manning a buffer zone somewhere between the Israeli border and Beirut."

In what seemed like an echo of conversations with Ariel Sharon, Olmert said: "The blame for letting Russia SA-5 put missiles and thousands of technicians also into Syria lies squarely on the shoulders of the U.S."

"President Ronald Reagan popped up with his Middle East plan last autumn, thinking that Syria was too weak to oppose it and Jordan strong enough to support it, because of what Israel had done in Lebanon."

"After the Sabra and Shatilla massacre, the U.S. Administration kept on slogging away at the Reagan Plan, because it did not want to pass up an opportunity in which events appeared to have knocked Israel off its balance, and there seemed to be a chance of sapping Israel's self-confidence."

"The American mistake, after the massacre, was to consciously exploit the aftermath, and to decide to send the Marines back into Beirut again, as a way of prising the IDF out of Beirut. It was the return of the Marines that the Soviets used as their excuse to intervene in Syria," Olmert says.

He says there is intelligence material to prove that the Soviet Union totally resisted appeals by

Syria and the PLO to intervene during the actual hostilities on the thesis that the conflict was between clients and not between principals. But when the Marines, on their way out of Lebanon, turned around and came back in, for what might be an indefinite period, this created the basis for a long-term American presence in the country, which Moscow felt would justify a long-term Soviet presence in Syria, in the form of SA-5 missile batteries, manned exclusively by a large force of Soviet technicians.

"From then on the principals were involved, and not only the clients," Olmert says. "That situation need never have developed, had Washington not made it inevitable. It won't be so easy to dismantle that new pattern, but that, too, is America's problem."

Olmert, when pressed to explain in the simplest of terms why he described an Israel-Lebanon agreement as a kashrut certificate for Israel to show to the U.S., he said: "Since Shultz came, we have bent over backwards to show our goodwill and make concessions. Nobody can fault us for being difficult. If Syria throws a spanner in the works, the U.S. will have no possible grounds for blaming us, and will have to give us a free hand."



Ehud Olmert... "Nobody can fault us for being difficult." (Auer)



### HAPOEL GAMES

## The maple-leaf forever

By PAUL KOHN  
Post Sports Reporter

TEL AVIV. — Canada finished the swimming events of the 12th Hapoel Games with a flourish, winning the last two events — the 4x100 metres women's medley and 4x100 men's freestyle relays.

The final race of the games was one of its most thrilling, as the Canadian and Israeli freestylers battled stroke throughout the eight lengths of the pool. Nir Shamir gave Israel the lead in the first leg, and Yizhar Shenhar was still a touch ahead as they turned into the back stretch of the race. Zohar Weiss fought pluckily and anchorman Amir Ganiel just failed to make up the lost tenths of a second on John Waring. The Canadians, Waring, Sandy Goss, Louis St. Laurent and Andy McDonald timed 3:33.58 minutes; Israel finished in 3:33.73 with the U.S. third in 3:27.02, and W. Germany fourth.

The triumphant Canadian girls' quartet consisted of Barb McBain, Anne Ottenbrite, Marie Moore and Maureen New. They beat off the challenge of the U.S. and Britain.

Canada and the U.S. won three

gold medals in yesterday's concluding events with Israel, Germany and Italy ensuring themselves the remaining top-three honours.

Yaron Ellati was Israel's winner. His strong finish in the 200m butterfly bested Canadians Peter Dobson and Peter Ward. Ellati timed 2:05.51 minutes, a new Israeli national record. Other notable Israeli achievements in the pool on the last day were the national records of Izhar Shenhar, third in the 100m backstroke, and Lior Birkan, her second in the games when she finished 4th in the 200m backstroke to the three Canadian girls McBain, Alene Larocque and Lisa Cunningham. Birkan's new record is 2:28.36 minutes. Shenhar timed 1:01.92 minutes.

The 19-year-old, soldier from Jerusalem said she was confident of improving on her present times, and especially expected to establish a new record in the 200m medley. "These Games are very good for me. Normally I have to swim alone, and they have provided me with tremendous competition."

Ellati, 20 of Kfar Szold, is also doing his national service. "With more competition of this kind, I can definitely improve my best times. I am happy with my results today and hope to peak for next year's Olympics."

Germany's Karin Seick and Italy's Massimo Valentini both won their second golds of the Games. Seick beat two American girls, Susan Rapp and Patty King, while Valentini took the 200m breaststroke. Tiffany Cohen of the U.S. was again on the winners' pedestal with the 200m freestyle under her belt.

An American 1-2-3 was the result of the 400m freestyle. John Mykkanen finished ahead of Tony Corbisero and David Sims, with Germany's Alexander Schowika fourth and Amir Ganiel (of Israel) fifth. John Sayre of the U.S. won the 100m backstroke in 59.68 seconds, ahead of Goss of Canada and Shenhar of Israel.

## Nadia dreams of comeback

Post Sports Staff, AP

While three of Rumania's most brilliant young gymnasts are here in Israel to delight spectators at the Hapoel Games, another Rumanian group, headed by Olympic superstar Nadia Comaneci, is performing on the Eastern side of the Jordan River. It is an indication of how great is the Rumanian strength in gymnastics that the Rumanians are able to prove their political and sporting even-handedness by sending two such teams simultaneously to the Middle East. Israelis who keep a watchful eye on Jordan Television can enjoy the best of both worlds.

Comaneci in 1983 is no longer the supple nymph who inspired thousands of young gymnasts with her perfect 10 out of 10 performances at the 1976 Montreal Olympics. She is trying to lose weight and is hoping for a comeback. She is but 21 and, in her sport, this is generally regarded as superannuation age for women.

"It's pretty difficult to regain the lost ground," she conceded in an interview with the Associated Press.

The five-time Olympic gold medalist has set her sights on the World University Games next summer in Edmonton, Canada, she said. She planned to pass up the World Championships this year in Budapest, but might go to some demonstration meets in Japan or the United States.

Asked about the Los Angeles

Olympics in 1984, she took a long pause and opened her eyes wide. "I don't know," she said. "I can't see further than Edmonton."

In Montreal, she turned in a series of perfect 10s and took home three Olympic Gold Medals.

Then came a growth spurt — from a cute 149.8 centimetres into a maturing young woman, with a touch of eye make-up and manicured nails.

Now she owns an eight-room home in Bucharest and drives her Fiat sedan — luxuries few Rumanians can afford.

"Physically, I'm in perfect health." Still visible is a five-centimetre scar on her left hand from surgery at Fort Worth, Texas, during the 1979 World Championships.

In recent years she has also suffered from exhaustion, over-training, appendicitis and a back complaint, that threatened her participation in the Moscow Olympics, sports officials say.

Today at the Games  
ARCHERY — 0930  
TRACK AND FIELD — 1900  
BADMINTON — 0900, 1800  
BASKETBALL — 1900, 1830, 2030  
CYCLING — 0900  
EQUINE — 0830, 1500  
FENCING — 0900  
RUGBY — 1500, 1630  
SAILING — 1000, 1600, 1800  
SHOOTING — 0900, 1430, 1600  
TABLE TENNIS — 0900, 1430, 1600  
VOLLEYBALL — 1000, 1700, 1900, 2100  
WATERPOLO — 0930, 1800  
WRESTLING — 1100

### Israel too good

Doron Jamchee paced Israel's National team to a comfortable victory over Panama in the second round of basketball games late on Tuesday night in Haifa. The free-wheeling Ramat Gan shooter gave the Panamanian visitors a taste of the marvellous shooting antics which were a feature of the past Israeli league season as he rushed up a total of 34 points that spearheaded the 108-91 Israeli triumph.

Mickey Berkowitz (24) with his characteristic speedy breaks and Steve Schachter, impressive in defence, left few doubts about Israel's capacity to repeat their second success of the four-team event.

In the earlier game — a strong second-half surge was not enough for Charleston college as they fell short of Holland by 59 points to 58.

### Half-way—Cyclists reach Lod

By JACK LEON  
Post Sports Reporter

TEL AVIV. — Austria's Karl Krenauer yesterday won the third leg of the Hapoel Games' six-day Dan to Beersheba cycle race, covering the Upper Nazareth to Lod section in three hours, 12 minutes, 23 seconds.

Israeli riders Yehuda Gershoni and Yeol Gigi distinguished themselves by taking the second and third places among the 48 participants from nine nations, with Gershoni clocking 3:12.33, and Gigi trailing him by just one-tenth of a second. The next three finishers were Holland's John van Arden, John McCormick of Ireland, and

another Dutchman, Harold Penson.

Krenauer retains the overall lead by virtue of taking first place on both Monday and Tuesday, with a total time of 11:07.21 for his three rides.

At the half-way stage of the gruelling peddle, Austria leads the teams standings. Holland and Britain are respectively in second and third places, with Israel in a very commendable fourth spot.

### French rugby win

TEL AVIV. — Top French second league team Auxerre yesterday cruised past Israel's Combined Universities XV 29-0 at Ha'Ogen in the second match of Hapoel games' inaugural rugby tournament.

### RESULTS

SHOOTING: Dan Durbin (U.S.) achieved the best result ever at a biathlon in Israel in the small bore rifle event. He took first place amassing 1159 out of a possible 1200 points in three exercises. Michael Heine of W. Germany finished second with 1183 points.  
Team event 1st - W. Germany 4607; 2nd - Israel 4680 (Israel National record); 3rd - Portugal 4339.

Standard Pistol - 1st - Terry Anderson (U.S.); 571 points out of 600 (Hapoel Games record); 2nd - Ken Swenson (U.S.); 563; Robert Northover (Britain) 560. Team event - U.S. 1675 (Hapoel Games record); England 1648; Scotland 1639.

EQUESTRIAN: Drew Ben Shaul of the Hader ranch won the dressage event at the Ashdod National Park on Little John scoring 142 points. Second with 125 points was another Israeli Gene Sorvaki whose mount was Toska of the Livorno ranch.

TENNIS: Yoram Brown was the surprise winner of the CSIT junior championships defeating his fellow Israeli Ravi Waldenfeld 6-2, 6-3 in the final. The doubles title was taken by Waldenfeld and Yoram Sejov who defeated Danny Handfeld and Yoram Brown 7-5, 6-4, 6-2 in the final.

MINI FOOTBALL - Semi-finals - Hapoel Shemer 4 Hapoel Modi'in 3; Hapoel Tzur Hapoel Yagor 1.  
HANOI: CSIT championships - W. Denmark 15 Switzerland 11; Holland 15 Hapoel 12.

VOLLEYBALL - women: American set Hapoel Israel select 1.  
JUDO: The British team which had several individuals titles triumphed in the team event. Holland took second place and Hapoel third.

CHESS: Grandmaster Miguel Colmenero the competition after defeating Shimon Cap Israel. Other games - Ludke Pachman drew with Mircea Pavlov (Rum.); Alisa G. field (Is.) drew with Victor Cioceanu (R.); Ellyah Schvaidler (Is.) drew with Victor Liberson (Is.).

Women - Dana Terezenko from Rumania won the lead after beating P. T. (France); Other results - Glada Flechick beat Diana Loney (U.S.); Lidia Glus defeated Carey Groves (GB).

# De Beers

"The diamond industry has come successfully through a very testing time."



Mr Harry Oppenheimer, Chairman of De Beers Consolidated Mines.

### Extracts from the Chairman's Statement 1982

As a result the mood in the retail market is more optimistic than it has been for some time. While a rapid return to prosperous conditions is not to be expected at the moment, it is believed that a further setback in the world economy a solid base has been established from which a gradual improvement in sales and profits can reasonably be hoped for.

The diamond industry has come successfully through a very testing time, and had it not been for the willingness and ability of the CSO to protect the trade by reducing offerings to the market at the cost of accumulating exceptionally large stocks, the outcome would have been very different. Our stocks now stand at R1,832 million, and in accordance with our established policy we will liquidate them gradually, as the market is able to absorb them.

### Part played by CSO

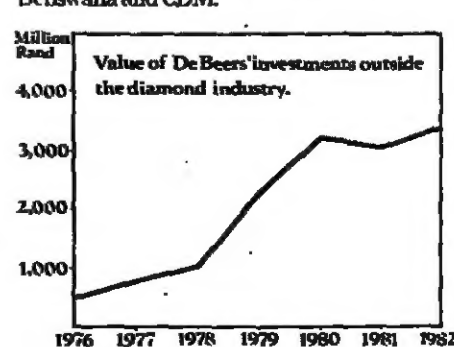
The part played by the CSO is generally appreciated in the trade and it may perhaps be regarded as a sign of confidence in our organisation that companies in the CRA Limited and Ashton Mining Limited groups are marketing their 95 per cent interest in the gem and 75 per cent of their 'cheap gem' and 'industrial' production from the new Argyle mine in Western Australia under a long-term contract with the CSO, and further that the Government of Zaire has recently judged it to be in its best interest to renew its old-established relationship with us. The diamond industry, because of the nature of its product, is in many ways unique, and co-operation on a fair and reasonable basis between the major producers is necessary for its stability. It shows that the higher the proportion of world production that is marketed through a single channel, the more effectively the CSO can protect the interests of all concerned, whether as diamond producers, cutters and dealers, retail jewellers or as the ultimate owners of diamond jewellery.

### Industrial diamonds

For the second year in succession sales of industrial diamonds declined marginally. Here again there are now signs of the beginning of a return to more normal conditions. Diamond production from the mines of the Group, including Debswana, amounted to 17,399,815 carats compared with 15,438,282 carats in 1981. Of the 1982 total, 2,621,643 carats were from the new Jwaneng mine in Botswana.

which was brought to production during the year. Excluding, for the sake of comparison, this new production, there was a reduction of four per cent in Group output to 14,778,172 carats. Efforts to contain costs and to keep capital expenditure to an absolute minimum were continued.

With the completion of the Jwaneng mine the Group's total production capacity has reached the planned figure of 19 million carats a year. It is interesting to note that measured by the value of potential output from installed capacity the South African mines of the De Beers Group still make up the biggest individual producer in the Western world, followed by Debswana and CDM.



I have already mentioned that the Government of Zaire has decided to renew the association that it had with the CSO for many years until its termination two years ago. A contract has been signed in terms of which the

CSO will be responsible for marketing the production of the Miba mine and we have further undertaken to review with the mining company and the Government measures to restore production — which has been much reduced in recent years — to a level which would better reflect the real potential of the deposit. The majority of the Miba diamonds are similar in quality to those that will be produced from the Argyle mine in Australia, and the marketing of both outputs through the same channel will be to the benefit of the two producers and the diamond industry as a whole.

Exploration continued actively throughout the year in Africa, Australia and South America but no new discoveries of importance were made.

An important milestone was reached with the participation in the Kimberley Division, of trades unions representing our black employees at the 1982 wage negotiations.

The Company is maintaining its commitment to training and developing employees at all levels, both in the interests of optimal staff utilisation, and to open up equal employment and advancement opportunities.

### Investments soundly based

The value of our investments outside the diamond industry at the year-end was nearly R3,400 million.

These investments are soundly based and well diversified both geographically and in respect of the different sectors of the economy in which they have been made. On account of this De Beers has a wider and more stable base and the strength of our entire structure is greatly increased.

### De Beers Consolidated Mines Limited

Incorporated in the Republic of South Africa

For the full Report & Accounts for 1982 including the Chairman's Statement, please send this coupon to: The London Secretaries, Room 11, 40 Holborn Viaduct, London EC1P 1AJ.

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## The 'real' cost of foreign currency

**Jerusalem Post Reporter**  
TEL AVIV. — The "effective rate" of the one per cent levy on foreign currency purchases is about 2.5 per cent for businessmen, according to a study just made by the Federation of Israeli Chambers of Commerce. The chamber's economic department points out that since the levy is not recognized as a business expense, it decreases the profit margin by about 2.5 per cent. Moreover, since many dollar loans are for a three-month period, the real annual rate is close to 10 per cent.

As for dollar loans themselves, the real interest is 12.42 per cent on an annual basis. For unapproved overdrafts it is 63.58 per cent (or 257.2 per cent if not deflated).

The chamber also points out that the likelihood of obtaining loans is constantly decreasing. It gives

several reasons. The fall of prices on the stock market has reduced the amount they can put up as the value of shares held by businessmen, thus reducing the amount they can put up as collateral. The banks themselves are also becoming increasingly wary of accepting stocks as collateral, due to the uncertainty of their value.

It is also pointed out that some companies which planned to float stock issues to raise capital, have postponed this and are thus deprived of funds needed for expansion.

**BEDUIN.** — A new tourist centre was opened at Tel Sheva this week in the presence of South African Ambassador David de Villiers du Buisson. It houses a 350-square-metre Beduin food tent, with a capacity of 300-400.

## MK asks public body on state bequests

**Post Knesset Correspondent**  
A Mapam MK has tabled a private members bill proposing that non-earmarked bequests to the State be allocated and supervised by an 11-man public committee chaired by the justice minister instead of by a cabinet committee.

Naftali Feder said that non-earmarked bequests are not covered by any statutory framework at present. He said the existing system had been sharply criticized lately and the state comptroller had uncovered numerous faults in the system. A legal framework should be laid down and a public body established, Feder urged, in the interests of what he called "public hygiene."

## Stocks were the banks' bonanza in 1982

**THE MAIN FACTOR** which turned the comparative (to 1981) increase in pre-tax operating losses into comparative after-tax gains for Leumi and Hapoalim, and which increased considerably the same gains for the other three banks, was the new law on taxes on inflationary profits.

Leumi allocated 47 per cent less for taxes in 1982 than it did the previous year; Hapoalim 64 per cent less; Discount 29 per cent less. Although both Mizrahi and First International allocated 71 per cent and 50 per cent more, respectively, these increases trailed behind their increases in pre-tax profits.

Thus, if the banks had good final results in 1982 (compared to 1981), the reason was the new tax law. And if this law had not been passed, the results would have looked entirely different. But then, the law should have been passed as soon as taxes on inflationary profits appeared.

But there is, as one banker stressed, one serious flaw in all these figures, which is not obvious. "A strong distinction must be drawn between two things: the sums actually allocated for taxes and the sums we actually had to pay to the tax authorities."

"In 1982, we paid the actual sums we would have had to pay if the law had not been passed. The only difference was that the income tax authorities had promised to return these sums in equal annual instalments over the next five years. True, the sums we will get back are fully linked: so we are not losing anything, but we are being deprived of the use of our own monies for up to five years. This means that we cannot use these sums to make business loans, for we have already 'loaned' these sums to the government. This will have a telling effect on reducing the current year's business activities."

He estimated that the sums now deposited with the government for eventual return are 40 to 80 per cent more than the sums appearing as actual allocations for taxes.

**THIS BRINGS US** to the next question. How did the banks earn their operating profits in 1982? The answer is—through classic banking methods, which throughout the world consist of holding customers' money and paying fairly low interest, while making loans at much higher interest. The gap between the two levels of interest is called the "profit margin." But although the banks made money this way,

Changes in the tax law on inflationary profits greatly benefited the banks last year. But the real windfalls came in stock deals made on their own account, in which the banks earned billions. **MACABEE DEAN** reports, in the last of two articles.

they did not make as much as they thought they should have made in a healthy economy.

The statistics drawn up by the banks show the following: the entry dealing with income from interest (plus linkage differentials, from discounting bills, etc.) increased in 1982 for Bank Leumi by 24 per cent over the previous year. Yet, the bank's expenditures for this same item increased by 21 per cent. For Hapoalim the income and expenditure figures were equal, 23 per cent. Of the Big Three, only Discount improved its position considerably over 1981 as its income from loans, etc., increased by 20 per cent, while expenditures for this item only increased by 13 per cent.

As for Bank Mizrahi, its income and expenditures, like those of Hapoalim, were equal at 25 per cent. But First International improved its comparative income. While its income increased by 32 per cent, expenditures increased by only 23 per cent.

Why, with the single exception of First International, was there so little comparative growth in the field of "classic banking?"

Because the profit margin was so small.

**THE GOVERNMENT** insisted that the banks lower interest rates in line with its monetary policies in fighting inflation. On the other hand, the banks fought for deposits, often to maintain liquidity requirements so they would not have to pay huge government fines. Thus, even if limits for charging interest were set by the authorities, no such limits were set on the interest paid to depositors. There was fierce competition here, which forced up the interest paid on such things as *Tafsim* (certificates of deposit, or CDs); the banks even began paying depositors interest on deposits made for two weeks; formerly, such short periods did not earn interest.

Thus, the profit margin narrowed. And the more aggressively a bank went after these deposits, the smaller its profit margin became, until, as noted, in the case of Hapoalim and Mizrahi, there was no profit

left. Only the banks with the less aggressive policies, Discount and First International, came out with a comparative increase in profits in this field.

Fees (or commissions) for various services provided the banks with considerable income, but it is doubtful whether all of this was real profits, for it takes large staffs to handle all this work. But fees did provide Leumi with IS4,654m. (down seven per cent over 1981); Hapoalim earned IS3,666m., up 17 per cent; Discount earned IS2,990m. up 14 per cent; Mizrahi earned IS1,694m., up 83 per cent, while First International, with an income of IS650m., actually earned four per cent less in 1982 than in 1981.

**THE MAIN GROWTH** in income came from an item which all bankers call "the bonanza of 1982, the stock market," and this windfall will probably not recur in 1983.

Profits stemmed mainly, but not entirely, from buying and selling shares on the exchange, not for customers, but on the bank's own account, as short-term investments.

Leumi made IS6,793m. that way, a 45 per cent increase over 1981; Hapoalim made IS1,157m., a real increase of 132 per cent; Discount made IS1,246m. (more than Hapoalim), for an increase of 53 per cent.

But the star performer in trading

on the stock exchange was Mizrahi, which made IS1,066m., up 338 per cent (this percentage, like all others, is "real"). First International made only IS77m., up 11 per cent.

Incidentally, much criticism has been levelled at Israeli banks for following the German system, which allows banks to act as brokers, investors (read speculators), and financial advisers, activities which are banned under the American system. However, the Americans are slowly moving towards the German system.

**Question:** the stock market collapsed earlier this year. Why didn't the banks warn their investing public?

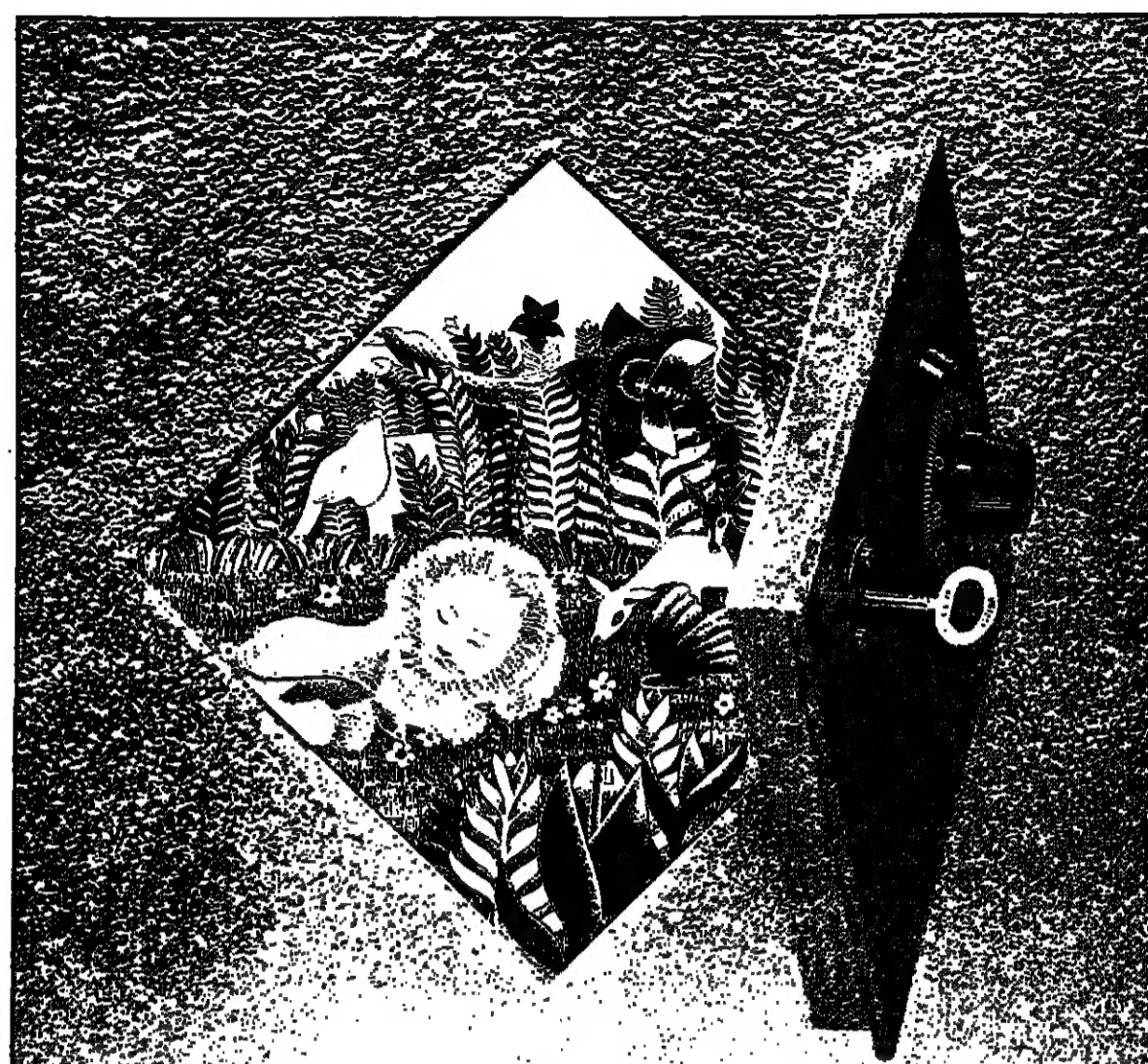
**Answer:** they did, time and time again, but perhaps not loud enough. Anyway, persons drunk on making profits and getting rich overnight will never listen to sound advice.

**Question:** but the banks themselves lost heavily, for when the market collapsed, many investors liquidated their mutual funds (including those run by the banks) which also fell heavily. Even if the small investors wouldn't heed the warnings of the banks, why did the banks (who knew a collapse was inevitable) continue to force up prices by allowing their mutual funds to buy at rising prices?

**Answer:** "We were on a roller coaster. If we got off, and the mutual funds of the other banks continued to play the market and show huge profits, our customers would have sold out our funds for those of the other banks. We would have lost in this way too."

**Question:** "What is your prediction for the current year?"

**Answer:** "Bankers are not prophets. We wish we were. So far, the situation looks worse than last year, but things can change for the better. We hope they will."



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## TWO-IN-ONE CROSSWORD

### CRYPTIC PUZZLE

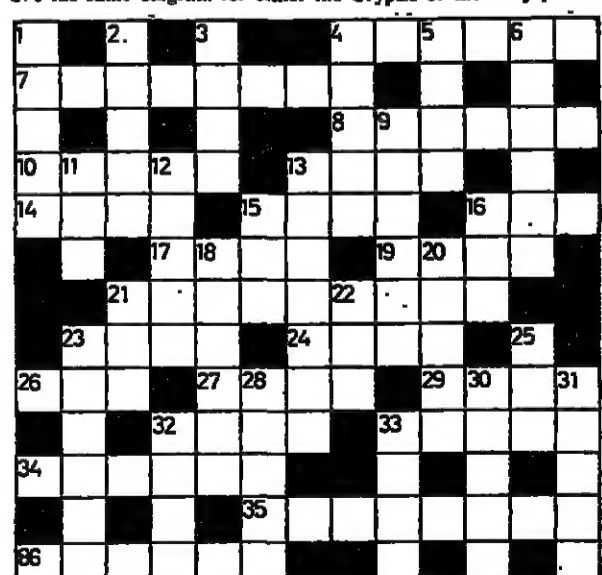
#### ACROSS

- 4 Slight adjustment in illumination (6)
- 7 Snow water? (5, 3)
- 8 Dozy as a dwarf (6)
- 10 Wrong name? (5)
- 13 Intend to be average (4)
- 14 Pests, darn it! (4)
- 15 It needs a plucky player (4)
- 16 Animal in decreasing numbers (3)
- 17 Rip a couple madly! (4)
- 19 Sort of hunt for women's clothing? (4)
- 21 Team with a more energetic game? (9)
- 23 Speed of foot (4)
- 24 I, in the past, was a villain (4)
- 26 A witch in Macbeth again (3)
- 27 Knead soundly from necessity (4)
- 29 Don't go under—I'm on the way! (4)
- 32 I and Stan follow him abroad (4)
- 33 Weight of rock (5)
- 34 He upset Eva Rix (6)
- 35 One too crusty to be a favourite? (8)
- 36 Poor horse taken in by a bear! (6)

#### DOWN

- 1 One way to get attention is to curse! (5)
- 2 Keep down the numbers at a road junction (5)
- 3 Professional vest makers (4)
- 4 A modern sort of beam (5)
- 5 Grand chap in the valley (4)
- 6 Drinking the best gin, possibly (6)
- 9 Racing greyhound? Something smaller, really (6)
- 11 So remiss as to make some lads cross (3)
- 12 A certain amount of

Use the same diagram for either the Cryptic or the Easy puzzle.



### EASY PUZZLE

#### ACROSS

- 4 Endorsed (6)
- 7 Tongue (8)
- 8 Begins (6)
- 10 Quickness (5)
- 13 Sullen (4)
- 14 Difficult (4)
- 15 Edges (4)
- 16 Mine (3)
- 17 Clothing (4)
- 19 Nonchalant (4)
- 21 Certain friar (9)
- 23 Soap bubbles (4)
- 24 Academics (4)
- 26 Nourished (3)
- 27 Freezes (4)
- 29 Sheep (4)
- 32 Gets older (4)
- 33 Purlown (5)
- 34 Yacht harbour (6)
- 35 Foolishly (8)
- 36 Harsh (6)

#### DOWN

- 1 Sudden brightness (5)
- 2 Deduce (5)
- 3 Money supply (4)
- 4 Broom (5)
- 5 Domestic help (4)
- 6 Necessitate (6)
- 9 Northern Italian (6)
- 11 Cushion (3)
- 12 Sidled (5)
- 13 Mocks (7)
- 15 Owned (3)
- 16 Vessel (3)
- 18 Flag (6)
- 20 Attack (5)
- 21 Moist earth (3)
- 22 Lettuce (3)
- 23 Legislative assembly (6)
- 25 Edible seed (3)
- 28 Stop (5)
- 30 Unwanted plants (5)
- 31 Kills (5)
- 32 Assistant (4)
- 33 Undermines (4)

capsicum possibly makes it savoury (5)  
25 Gain a way in (3)  
28 One of those in Shakespearean comedy? (5)  
30 Like shaded areas, naturally (5)  
31 It's fun to make (5)  
32 Monarch in Buckingham Palace (4)  
21 Keep the pipes from freezing in prison (3)  
22 On which to write home (3)

**Yesterday's Cryptic Solution**  
ACROSS. — 1. Majors, 7. Hollow-ay, 8. Peso, 10. Stored, 11. Strike, 14. Ode, 16. Tones, 17. Solo, 19. Hated, 21. River, 22. Me-Ted, 23. Pass, 26. So-Les, 28. Tom, 29. Unit-Ed, 30. Matign.  
DOWN. — 1. Arid, 32. Arrivals, 33. Twenty.  
DOWN. — 1. Masses, 2. Over-do, 3. Shod, 4. G-litter, 5. Twain, 6. Tyres, 8. Pool, 9. Seat (C), 12. Rod, 13. Keats, 15. Wa-VE-R, 18. Onion, 19. Hit, 20. Ted, 21. Reserve, 22. Met, 23. Police, 24. A-Mid, 25. Singly, 26. Sugar, 27. Lit-re, 28. Tart (rev), 30. Ma's-d.

**Yesterday's Easy Solution**  
ACROSS. — 1. Closed, 2. Puffer, 3. Loss, 4. Tricked, 5. Steel, 6. Prams, 8. Ease, 9. Met, 12. Rid, 13. Alert, 15. Calms, 18. Under, 19. Rio, 20. Tea, 21. Pressed, 22. Ace, 23. Patent, 24. Atom, 25. Entire, 26. Patch, 27. Arena, 28. Exc, 30. Eton.

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Israel Museum. Exhibitions: Oil Lamp Section, stages in oil lamp development; Permanent collection of Judaica, Art and Archaeology; 52 Months to Job One; Bezzel 1906-1929; Portables; Letterheads by Pentagram; Primitive Art from Museum collection; How to Look at a Painting; Illustrated Hagaddot of the 18th century. Special Exhibits: New Mosaic of 5th century Byzantine church; Seder Plate, Vienna 1925; Japanese Miniature sculpture; Sefer Ma'aseh Tuvyah; Capernaum coin hoard. (Rockefeller Museum); Wonderful World of Paper (Paley Centre, next to Rockefeller Museum); Kadash Barnea; Judean Kingdom fortress (Rockefeller Museum).  
Visiting Hours: Main Museum 10-5. At 11: Guided tour in English, 3:30. Film for children, "Peter Pan." Tomorrow: Main Museum 10-2. At 11: Guided tour in English of Rockefeller Museum.  
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Rockefeller Museum Women. Free Morning tours — 8 Alkalai Street, Jerusalem. Tel. 02-699222.

**Haifa**  
What's On in Haifa, 04-640848.

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Dan Region: 03-241252, 03-24348, 03-23004, 03-22106, 03-30665, 03-92993, 03-91992, 03-77705, 02-24083, 03-948206, 03-57687, 04-89833, 04-52069.  
Tel Aviv: 03-241252, 03-24348, 03-23004, 03-22106, 03-30665, 03-92993, 03-91992, 03-77705, 02-24083, 03-948206, 03-57687, 04-89833, 04-52069.

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## Steep price drops continue

### Tel Aviv Stock Exchange

By JOSEPH MORGENTHAU

TEL AVIV. — No fewer than 292 securities fell yesterday by margins that ranged from 5% to 61% in one case. Trading was very heavy and almost reached 152 billion. However, old-timers, who have witnessed other major falls, did not lose their sense of humor. One remarked his friend that only two days ago he had suggested that "shares had hit bottom." The friend had a quick rejoinder. "It was a false bottom," he said.

Humour aside, the situation was quite grim as even quality shares did not escape the price falls. The Dead Sea Works, for example, a top quality concern which exports the majority of its output and which shows a healthy profit, was downed for a 10% loss.

On the more positive side was the good showing of the major commercial banks, whose shares have been immune to the vagaries of the marketplace. Leumi, Hapoalim and IDB were up by fractions of a percent. They were joined by Mizrahi, which chipped in with its customary six-point advance. The shares of the First International Bank continued to show that they have great friends backing them. Yesterday this friendship took the form of support to the tune of 15366 million, in consequence of which their price remained unchanged. The FIBI shares, on the other hand, found no such support and were established as "sellers only."

The general public has expressed

some concern about the future price progress of bank shares. People reason that if the banks cannot exert enough buying pressure to change the course of the market, they may not be strong enough to go on supporting their own shares. However, most observers don't go along with this reasoning. They point out that Bank Leumi, for instance, takes pride in its nearly 500,000 shareholders and is unlikely to allow its shares to suffer any meaningful fall. Also, there comes to mind the remark made last year by Giora Gazit, chairman of the Bank Hapoalim management committee, who declared that Hapoalim investors "will continue to enjoy the fruit of their investments in our shares." Bank shares are also held by non-residents, and the banks would not wish to unsettle their relationship with these clients by allowing their shares to fall.

Many individuals are also looking towards the Treasury to make a move in support of the market. Suggestions include halving the 2% Pence for Galilee levy on the sale of securities. The reasoning is that if the market becomes inactive for any longer period, the government will in any case lose the levy as a source of income.

Yesterday was one of those rare days when no single sector wound up on the plus side. The trade and services group hit bottom with a sectorial loss of no less than 7.11%. Oils came next with a 6.76% loss.

They were closely followed by industrials, which fell by 6.31%.

An unusual phenomenon of yesterday's market was the decline of shares traded in foreign currency. A rather surprising development has been the relatively weak support given to the shares of companies which are a part of the Clal group. The following Clal companies saw their shares traded as "sellers only" for the second consecutive time: Clal (Israel), Clal Industries, Clal Trade, Clal Real Estate, Clal Leasing 0.5 and Clal Computers. It should be kept in mind that the major banks are partners in Clal (Israel).

Trading in index-linked bonds provided yet another paradox. Over the preceding two sessions some IS3.5 billion worth of bonds were traded in an apparent effort to raise funds to support the market. Yesterday the turnover dropped to IS230 million and prices remained stable.

The shekel was devalued by 17 agorot and the Treasury is apparently using the excuse of increased local demand for dollars to speed up the pace of devaluation of the local currency. The shekel is weak at a time when the dollar is also experiencing a spell of weakness on international markets.

Outline announced yesterday that it was embarking on the production of watches following an agreement with European firms. The project has a budget of \$500,000, of which \$200,000 will be invested immediately.

### Most active stocks

First Int'l	975	34,339.1	n.c.
Maritime 01	2130	6,732.1	n.c.
Maritime 02	935	6,290.1	+15
Shares traded:		IS195.8m.	
Convertibles:		IS14.4m.	
Bonds:		IS330.6m.	

### Dollar declines, gold little changed

LONDON (AP). — The U.S. dollar was hit yesterday by falling interest rates and declined in European trading. Gold was little changed.

The quarter-point reduction of the American United Mizrahi Bank Trust's prime rate to 10 1/4 per cent fanned speculation that dollar interest rates would soon be coming down across the board, dealers said.

Investors also saw Tuesday's U.S. Treasury note auction, which went better than expected, as a sign rates would drop. With the government needing to borrow less money, demand for credit should drop, dealers said.

In Tokyo, the dollar finished at 236.60 yen, compared with Monday's 238.15. Tokyo markets were closed Tuesday for a national holiday. Later in London, the dollar was quoted at 236.08 yen.

The British pound continued to recover ground, hitting \$1.58305 in early trading before settling to \$1.5825. Late Tuesday's rate was \$1.5788.

The price of gold in London edged down to a bid price of \$432.25 a troy ounce from late Tuesday's \$432.50.

### Britain signs economic aid agreement with Turkey

ANKARA (Reuters). — Britain yesterday signed an agreement to provide a credit of \$34 million to Turkey as part of the economic aid it has pledged within the framework of the Organization of Economic Cooperation and Development (OECD) for 1983. Turkish Finance Ministry officials said. They said the credit, which will be used to finance imports for public investment projects, will be repayable in 25 years at six per cent interest.

### Bank of Israel exchange rates

May 4, 1983	IS
U.S. dollar	42.4601
British sterling	67.1931
German mark	17.3661
French franc	15.4457
Dutch guilder	20.6197
Swiss franc	5.6765
Swedish krona	4.8697
Denmark krone	7.8419
Finland mark	34.6684
Canadian dollar	36.9551
Australian dollar	39.1291
South African rand	8.7062
Belgian franc (10)	24.6966
Austrian schilling (10)	2.9104
Italian lire (1,000)	17.9346
Japanese yen (100)	18.0400
Jordanian dinar	10.1800
Lebanese pound	38.6387
Egyptian pound	

### UNITED MIZRAHI BANK

COMPARE YOUR MONEY EARNS MORE			
DOLLAR PAZ AND EURO PAZ PRICES FOR 4.5.83		CURRENCY BASKET	
		PURCHASE	SALE
"DOLLAR PAZ" 1 UNIT			
	136.3690	137.7396	
"EURO PAZ" 1 UNIT			
	164.1994	165.8498	
S.D.R.			
	45.7971	46.3574	
FOREIGN CURRENCY EXCHANGE RATES FOR 4.5.83			
COUNTRY	CURRENCY	CHEQUES AND TRANSACTIONS	BANKNOTES
		PURCHASE SALE	PURCHASE SALE
U.S.A.	DOLLAR	42.3477 42.6723	42.0300 43.3100
GREAT BRITAIN	STERLING	66.8358 67.5076	66.4900 68.5200
GERMANY	MARK	17.2912 17.4650	17.2000 17.7300
FRANCE	FRANC	5.7037 5.7611	5.4700 5.8300
HOLLAND	GILDER	15.3767 15.5313	15.2900 15.7600
SWITZERLAND	FRANC	20.5335 20.7399	20.4200 21.0500
SWEDEN	KRONA	5.6480 5.7049	5.5400 5.7900
NORWAY	KRONA	5.9533 6.0131	5.8400 6.1000
DENMARK	KRONA	4.8470 4.8967	4.7600 4.9000
FINLAND	MARK	7.8026 7.8811	7.6600 8.0000
CANADA	DOLLAR	34.4597 34.8061	34.0000 35.3300
AUSTRALIA	DOLLAR	36.7691 37.1396	35.2600 38.0300
SOUTH AFRICA	RAND	30.9200 31.112	30.7000 31.5700
BELGIUM	FRANC	8.6679 8.7551	
AUSTRIA	SCHILLING	24.5340 24.7807	24.4000 25.1500
ITALY	LIRE	20.9624 21.2737	20.7500 21.7100
JAPAN	YEN	178.3355 180.1279	177.4100 183.8200

FURTHER DETAILS AT OUR INTERNATIONAL DEPARTMENT  
39 LILIENTHAL ST. TEL AVIV  
TEL 629414 AND AT ALL OUR BRANCHES

### UNITED MIZRAHI BANK

The Bank that speaks your language

Company	Price	Volume	Change	% change
ADIF	698.76	679.57		
ADIR	698.76	679.57		
ALMOG	242.25	238.02		
ANAT	180.06	156.89		
ARMON	195.12(1)	189.33(1)		
AVIV	1430.15	1401.66		
AVUKA	808.16	597.49		
AYAL	138.44	132.47		
BARAK	187.33	181.39		
BARKEET	388.35	376.52		
BDOLACH	319.08	308.88		
BROSH	206.89	200.82		
CALANIT	338.71	332.07		
CASPI	338.71	332.07		
DALIA	164.67	159.89		
DANIT	204.11	197.35		
DEKEL	164.67	159.89		
DOLEV	204.11	197.35		
DUDEVAN	209.05	204.93		
EFRAI	94.71	92.30		
EGOR	196.13	190.38		
ETAN	200.85	194.95		
EREZ	200.85	194.95		
ETROG	207.25	203.11		
GALIT	434.14	424.60		
GAVISH	573.44	565.38		
GIL	2810.26	1,958.83		
GOREN	244.60	238.55		
GUY	1,212.47	1,178.40		
HADAS	341.38(1)	331.26(1)		
HALAMISH	116.16	113.34		
IDAN	1,407.41	1,018.75		
IDIT	412.80	404.09		
INBAR	1,223.86	1,204.88		
KOCHAV	5,523.75	5,361.00		
LAMASHKIA	242.31	241.05		
LAPID	329.51	318.87		
LESEHEM	118.26	114.92		
MAGAL	384.60	373.15		
MAOF	218.54	212.18		
MARGALIT	726.88	702.51		
MAROM	457.64	444.33		
MA'AYAN	119.03	115.73		
MEIMAD	804.97	791.45		
MIGVAN	190.41	106.72		
MIKAL	341.91	331.87		
MIVBAR	459.01	451.35		
MIVTAR	709.62	696.07		
MORAN	327.65	318.03		
NATIF	691.93	674.77		
NITZANIM	420.08	407.72		
NOGA	2,488.11	2,420.11		
ODEM	290.69	243.35		
OPHIR	188.61(1)	182.51(1)		
ORION	489.59	478.70		
OR-LI	1,961.44	1,900.34		
PIA	353.91	343.48		
PIROSH	347.78	336.70		
RAKEFET	264.21(1)	256.25(1)		
RESHEF	1,228.54	1,183.44		
ROSH	688.50	679.15		
SHAHAM	518.06	500.38		
SHARON	980.43	961.81		
SHAVIT	177.68	172.46		
SHENHAV	444.09	430.91		
SHESK	513.55	503.44		
SHIRAZ	188.13	185.29		
TAPUZ	400.55	391.75		
TARSHISH	308.11	301.12		
TEHENA	637.46	628.55		
TEHENA	399.31	386.62		
TIDHAR	162.30	167.55		
TITOSH	321.55	312.16		
TOFAP	1,256.06	1,228.89		
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Ari Rath  
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Iyar 22, 5743 • Rajab 22, 1403

## Permissive economics

WHATEVER ELSE may be said of the government's economic policy, it is without question intellectually bankrupt. This was not so much revealed as confirmed in the testimony by four professors of economics from the universities of Jerusalem and Tel Aviv before the Knesset Economic Committee on Tuesday. All four closely examined what passes for government policy, and graded it both a conceptual and a practical failure.

The economic doctrine espoused by the Treasury under the direction of Yoram Aridor proclaims that expectations are all. Another economics professor, Stephen E. Plaut, neatly summed it up in yesterday's *Post* thus: "Just say inflation is gone, and people will believe it and then it will be gone." Working on this assumption, Treasury officials have been waging psychological war on inflation, expecting it to slowly go away. Now it is clear that their hopes have been shattered.

Still, the Treasury officials, abetted by Mr. Aridor, persist in their devotion to the doctrine. "Real inflation," in this country, they insist, should run at no more than 80 per cent annually, or five per cent each month. This is because Mr. Aridor would allow only some five per cent price rises wherever his administrative fiat reaches. Monthly devaluation, too, has only been allowed at roughly a five per cent rate.

The real economy, however, would not bow to the dictates of the official doctrine. Prices this year have so far risen faster than during the corresponding period last year. Mr. Aridor is plainly unable to prick the inflationary "bubble." His solution is to claim that the true measure of his success in this effort will only become apparent beginning in August. In August, if he does not change course before then, the finance minister will put the starting date off again.

There is hardly any professional economist of stature in the land who will take the Treasury's prediction on trust. In any case, if expectations are what matters, it is clear that the public has not so far been led to expect any lowering of inflation. It has merely learned to live with it. But if the purpose of official policy is to improve the economy's performance and to raise the prospects of economic independence, the results have so far been, to put it mildly, most disappointing. And the prospects for an economic upturn appear to be dim at best.

What the results have been is by now common knowledge: dropping exports, rising imports, a widening trade gap — and unremitting inflation.

To help the exporters overcome the hurdle of a five per cent devaluation, and receive something like a fair price for their products, the Treasury is offering them, too, a subsidy. But to provide this subsidy, the Treasury must inject new money into the economy. This same money the Treasury then seeks to mop up lest it create excess demand, and further stoke the fires of inflation.

An escape from this vicious cycle of what Prof. Yoram Ben-Porat has termed "permissive economics" will be painful. It is fully understandable that the present government, which has in effect promised the people of this country an easy life on foreign grants and loans, is finding it difficult to devise a politically acceptable escape route.

## Aguda's insolent gamble

PURE BLACKMAIL is what Agudat Yisrael is practising in the case of MK Sarah Doron, the Liberal Party's candidate as its sixth cabinet member.

Under orders from the Rebbe of Gur, Simcha Bunim Alter, the Aguda is opposing Ms. Doron's candidacy, and will not vote to approve it in the Knesset — except for a price. The objection to Ms. Doron, then, is not that the minister-without-portfolio-designate is anti-religious — she has in fact supported, out of a sense of coalition loyalty, coercive religious legislation she disliked — let alone that she is a woman.

It is rather that the Doron candidacy is a convenient means for the Aguda to extract from the Liberals a commitment to two pieces of religious legislation they would not otherwise be expected to go along with: an amendment to the Law of Return declaring that conversion can only be according to halacha, and an archeology bill that vests in the rabbis a veto on any dig they suspect might be in the area of a Jewish cemetery.

This, at any rate, is the position the Aguda was ordered to take by the co-chairman of its supreme authority, the Council of Sages.

The insolence is positively awe-inspiring. For once, the tiny Aguda — five Knesset seats in all — does not even have the coalition agreement to base itself upon. That agreement did not obligate the Likud to pass the "Who's a Jew" amendment, and it did not promise the rabbis anything like the powers sought in the archeology bill. But it is the Liberals who have traditionally formed the Likud's internal opposition to religious coercion, and now, evidently, is the opportunity to twist their arm.

Let the Liberals undertake to vote the Aguda way, or let them forgo the pleasure of a sixth cabinet member.

How the Aguda itself reconciles this exercise in political blackmail with its responsibilities as a member of a coalition, is a mystery. Surely, once the government has decided to coopt a minister, the decision should be binding on all coalition parties: it is not a matter for intra-coalition horse-trading. Yet it appears that the Aguda may come out the winner, at least in part, in this insolent gamble. Although this has been denied by Aguda spokesmen, a compromise of sorts could be in the works.

Unless, that is, the Doron candidacy is simply frozen, *sine die*.

## Fortune International

May 16, 1983

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GIVE SOLDIERS LIFTS

# POLITICS AND MEDICINE

By MACABEE DEAN

SHORTLY before he died a decade ago, Moshe Soroka, then head of the Histadrut's sick fund, predicted the present strike of the country's 8,500 salaried doctors.

Soroka did not pinpoint when or where, but he did state that the "politicization" of the health delivery services must one day reach a critical mass and then blow up.

"It's inevitable," he said. "For everything indicates that public or semi-socialized medicine and its doctors are on a collision course. Every system must have its own checks and balances; otherwise things must go awry."

At the time he was already suffering from the serious heart condition that would kill him; perhaps his health made him pessimistic.

He was speaking in his office and the phone rang. "Shalom, professor," Soroka said into the phone. "Please, no generalities or statistics. Get to the point. Can you cure me or not? You can't? Can anyone else? No. All you can give is hope and encouragement that things might get better. Well, then all your scientific medicine isn't worth much, is it?"

After he hung up, he resumed commenting on the public health delivery system. "Well, we'll never be able to get hope and witchcraft out of medicine, and I don't know if we want to. After all, belief is a great healer for a lot of people, but only for those with minor or less serious complaints. Not for a person like me. I've been in this business too long to expect faith in medicine will help me. But if we can't get witchcraft out of medicine, let's at least try to get politics out of it."

Soroka believed that politics was a cancer in public medicine, that allocations for public health all too

often depended on the other needs of the state. "If the country needs tanks, it will take funds earmarked for medicine. And I can understand this. Tanks may keep us alive; medicine generally only tries to cure us of an ailment."

He wanted to convert the health delivery system in Israel into a sort of health authority, something like the National Insurance Institute.

"But it must have its own closed book-keeping system. It must be self-supporting."

The health authority would fix physicians' salaries in accordance with its income. If the doctors demanded higher salaries, the monthly fee charged members would have to rise. The time would come when it would be cheaper to see a doctor privately than to remain a member of the health authority. Thus, the wages of staff and the monthly dues charged members would pull on each other. A system of checks and balances would be operating.

"But the best doctors would join the authority for it would have the best equipment, provide the best tests and x-rays, and so on," Soroka said. "No private doctor could compete."

NOTHING came of his idea, for implementing such a scheme would mean depriving the Histadrut of control over its sick fund, which is one of the foundations of the labour federation, and Soroka was devoted to the Histadrut.

Most join its sick fund, two-thirds of the dues collected for Histadrut membership go to the sick fund, the other third going for other Histadrut activities.

The root of the present strike of 8,500 doctors — 5,000 of whom

work for the Histadrut's Kupat Holim Klalit — is both political and economic, but mainly political, for politics determine economics.

Finance Minister Yoram Aridor, and the party he represents, have a two-fold purpose in not giving in to the doctor's wage demands. One is to maintain some semblance of a national wage structure, which would collapse under the wave of wage demands that would result if the minister gave in to the doctors. Moreover, keeping the wages of doctors low will send many of them into private practice, which will weaken the Histadrut, although about one-quarter of its members belong to the Likud, it is still the political stronghold of the Alignment.

Most doctors claim that their strike is over money, but many of them would like to see the power of Kupat Holim Klalit broken, and a system of private practice emerge side-by-side with socialized medicine. The Histadrut, under attack from both the government and its own doctors, has been amazingly quiet, just emitting a howl of rage now and then. It has done nothing realistic to try to solve the problem.

THE HISTADRUT apparently is sure of the loyalty of its members, and not without grounds. Ninety per cent of the 800 doctors in Kupat Holim Maccabi (which has a system in which most, but not all, of its doctors receive patients in their homes) are working. So far, as Kupat Holim Maccabi admits, there has been "no flow of Kupat Holim Klalit patients to us. Israelis are conservative, and they don't make a major decision in their life, like switching sick funds, without considerable deliberation."

## Dry Bones

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THE ACTUAL RUNNING OF THE COUNTRY WE LEAVE TO THE POLITICIANS.



If the Histadrut sick fund members find they must pay 15600 for each visit to one of the alternative treatment centres set up by the Israel Medical Association for a long period, these "conservative members" will undoubtedly think of switching, especially since they are paying monthly dues with very little benefit. There was one obvious contradiction in Soroka's ideas. Despite his belief in "scientific equipment," he still thought that the wrong students were chosen for medical schools. "We want a doctor to see his patient as a human being, not as a disease. Yet do we choose our students by the warmth of their hearts, by their humanity? No we select them on the basis of their knowledge of chemistry and biology, and so on. If we want family doctors, we must choose students who see their future in family

medicine, not in scientific research."

The solution to the present strike is Soroka's solution: setting up a health authority. A person could sign up for all the medical services; or for only a few such as tests and X-rays, seeing a doctor privately if he wishes. Or he could join only in a hospitalization scheme. But whatever, the authority must be a self-enclosed bookkeeping unit.

It will be argued that no medical set-up can function today without government help. This is simply avoiding the main issue, for government funding comes from the same source as the authority would tap, from the people. The government imposes taxes; the authority would charge dues. It is the same money, and there are no free lunches.

The writer is a member of the Jerusalem Post editorial staff.

## READERS' LETTERS

### MORAL POLLUTION

To the Editor of The Jerusalem Post: Sir, — Eilat complains of lack of tourists, and this has largely been blamed on the recent war. Nevertheless, there may be other factors keeping potential tourists away — namely, high prices and moral pollution.

It cost my family (six persons) about 15170 each time we entered Eilat's delightful Coral Beach, and we gladly paid this amount to sit on a clean beach without tar and tins. However, we were dismayed to find alongside of us not a few topless tourists and Israelis basking in the sun.

Many of us expatriates come from Western, sex-sodden societies and are grateful to get away from it.

There must be many potential tourists willing to pay for the use of morally clean and sunny beaches — but I cannot now recommend Eilat, because the reverse is true of that town.

Where are the active Jews who want to clean up the Israeli theological beaches of all the foreign missionaries, who it is

claimed (wrongly), are polluting the land, whilst a blind eye is turned on the free-sex "missionaries"?

Moral decline has always weakened Israel in the past, and will inevitably do so again.

Nazareth.

### EXPLANATION NEEDED

To the Editor of The Jerusalem Post: Sir, — In your issue of April 25, under the heading, "The ordeal of a Palestinian moderate," we read a squalid tale of personal harassment by a government officer. It is obviously only one side of the story.

Your readers, including this writer, would welcome an explanation from Mr. Iliya or the person to whom he is responsible. No response implies that the facts are essentially correct.

Is this government interested in seeking a dialogue towards peace and coexistence?

GEOFFREY TOLLMAN  
Kfar Shmaryahu.

### PLO MURDER

To the Editor of The Jerusalem Post: Sir, — Hirsch Goodman ("Changing the guard" — April 17) mocks General Rafael Eitan's assertion that prospective Arab terrorists sometimes murder Jews "as an entrance exam to the PLO." Goodman's scepticism contrasts sharply with a report in *The Post* itself last month that an Arab from the village of Aara has confessed to having brutally murdered hitchhiker Avraham Bromberg in 1980 as an "initiation test" to a PLO cell.

General Eitan's statement that the murder-dismemberment of 11-year-old Nava Elimelech was a similar "entrance exam" to the PLO has not yet been proven in court. But that is no reason to ignore the fact that Arab terrorists do indeed proudly measure their competency according to their success in murdering defenceless Jews.

RAFAEL MEDOFF  
Jerusalem.

### AMBASSADOR TO OSLO

To the Editor of The Jerusalem Post: Sir, — It was with consternation and sorrow that I heard over the Norwegian radio on March 13 the news items from Jerusalem, later repeated in the newspapers, regarding the appointment of a new Israeli ambassador to Norway. The news came many months before the present ambassador is to leave — a most unusual procedure and particularly unfortunate in this case.

The present ambassador, Mr. Gad Elron, has had to bear the brunt of the most vicious attacks by the media during the war in Lebanon and for many months afterwards. During this period, Mr. Elron has managed with great courage and tact and with unusual and profound understanding of Norwegian mentality, to withstand these attacks against the State of Israel, to the great satisfaction of the Jewish community and many of Israel's friends in Norway.

Now that these attacks have

somewhat subsided, he would have been able, in the time still allotted to him, to restore somewhat Israel's image in Norway, so badly damaged this last year. The premature announcement of his departure makes this task very difficult, almost impossible in fact, since he is now considered here to be on his way out — a sort of lame duck.

I understand, of course, that ambassadors come and ambassadors go, but it is regrettable that the Israeli authorities have thus undermined the excellent work which this experienced diplomat could still do in Norway.

PROF. L. EITINGER

Oslo.

### PENFRIENDS

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